TRANSCRIPT OF RECORD

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1951

No. 19

THE UNITED STATES OF AMERICA, APPELLANT,

VS.

OREGON STATE MEDICAL SOCIETY, OREGON PHYSICIANS SERVICE, CLACKAMAS COUNTY MEDICAL SOCIETY, ET AL.

APPEAL FROM THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF OREGON.

FILED MARCH 16, 1951

VOLUME IV

Pages 2613-3480

Plaintiff's Exhibit 213

4036

Excerpts of Minutes

of the

MULTNOMAH COUNTY MEDICAL SOCIETY

Referring to

RESOLUTIONS AND ACTIONS

of the

Council and Society

Concerning

"A GROWING PUBLIC DEMAND THAT SOME SCHEME BE DEVISED TO FURNISH ADEQUATE MEDICAL AND HOSPITAL CARE

for

LOW INCOME GROUPS

(October 18, 1932).

Study of Special Committee

Report No. 4

Copy No. 2.

Doctor Jones

April 1, 1935.

These data are accumulated to recall actions of the "City and County Medical Society" and subsequent application and approval of the Multnomah Industrial Health Association. (October 19, 1932).

4037

(c) That the financial structure in such a plan provide that each physician who elects to affiliate shall have an equal financial interest with every other affiliated physician;

(d) That the operation of the plan be under the complete control of the physicians who elect to affiliate;

(e) That the patient be allowed free choice of physicians from the entire group of physicians who elect to affiliate;

(f) That the compensation of the physician be commensurate with the service rendered;

(g) That the quality of medical care be not lowered to meet the competition of commercial organizations which may offer to serve wage-earners in the designated group;

(h) That the plan be limited to the care of wage-earners in the designated classification who have agreed with their employers to the payment of necessary charges by monthly deductions from salary or wages and that no individual wage-earner or family, as such, be eligible to receive the contemplated service.

3rd. That as soon as the Council is satisfied that such an organization has been formed, and after formal application by said organization the Council may issue a certificate of approval to said organization and at the next regular meeting of the society announce that affiliation with said approve organization by any member of the City and County Medical Society of Portland and Multnomah County, Oregon, has the official approval of the Society.

FURTHER BE IT RESOLVED, that the above resolution be submitted to the Society at its regular meeting, October 19th, 1932, and if approved by the Society the above plan shall take effect immediately.

After a general discussion Doctor Kiehle moved that the resolution be adopted. This was seconded.

The matter was then further discussed by each individual Councillor who expressed his personal views.

Dr. N. W. Jones suggested that the matter be submitted to Mr. Hart for legal opinion.

"When put to vote the motion was unanimously
4038 passed".

FROM THE MINUTES OF THE SOCIETY

October 19, 1932.

"A report of the American Medical Economics Conference was read by Dr. A. M. Webster, who represented the Pacific Northwest at that Conference.

The next paper on the program entitled, "Why Contract Practices?" had to be omitted because of the illness of Dr. T. Tharaldsen, who was to have presented it.

"The History of the Multnomah Industrial Health Association" was the title of a paper by Dr. H. F. Leonard. Doctor Leonard explained the genesis of this association and outlined the plan under which the organization will function.

Under new business the following resolutions that were referred to the general meeting by the Council were read: (Same as meeting of October 18th).

Dr. A. G. Bettman moved that these resolutions by adopted. The motion was seconded.

Dr. William Campbell and Dr. Alvin W. Baird discussed the advisability of passing such a resolution at this time. There being no further discussion the Chair called for a rising vote. The resolution was passed by vote of approximately 125 in favor and 10 opposed.

FROM THE MINUTES OF THE COUNCIL

November 15, 1932.

"The Secretary read the following letter:

MULTNOMAH INDUSTRIAL HEALTH ASSOCIATION

October 28, 1932.

TO THE COUNCIL OF THE CITY AND
COUNTY MEDICAL SOCIETY OF PORTLAND
AND MULTNOMAH COUNTY:

Gentlemen:

We understand that at the meeting of the City and County Medical Society of Portland and Multnomah County on October 19, 1932, a resolution was adopted authorizing your body to consider and approve a periodic payment plan for the group care of low-income wage-earners and setting forth certain requirements to be met by any organization seeking your approval.

We have carefully reviewed these requirements and believe that our organization fulfills each and all of the conditions for approval. Therefore, the Multnomah Industrial Health Association hereby makes formal application

for your approval under the terms and conditions of the resolution referred to above.

4039 For your information, the following are the outstanding features of our plan of organization:

(1) The welfare of the patient is the prime consideration.

(2) Every member of the City and County Medical Society of Portland and Multnomah County is eligible to participate in the plan, subject to the purchase of one share of stock at one hundred dollars ($100.00) per share; furthermore, only members of this Society are eligible to purchase stock and perform professional services. No member may hold more than one share of stock.

(3) The operation of this plan is under the complete control of the physicians through the Board of Trustees and the Board of Directors, all of whom are member physicians elected by the physician-stockholders.

(4) The patient is allowed free choice of physician from the group thus affiliated.

(5) The compensation of the physician is to be based upon an adequate fee schedule commensurate with the services rendered.

(6) The quality of medical care is not to be lowered to meet the competition of commercial organizations.

(7) The plan is at the present time limited to wage-earners in the group who earn $1,500.00 per year or less.

In order to facilitate the choice of physicians, each wage-earner under the protection of the plan is to be furnished a complete list of member physicians from which he will have a free choice.

For the purpose of stabilizing the management of the Association, a voting trust agreement was adopted on June 9, 1932 under which the physician-stockholders elected a Board of Trustees of seven of their number. This Board will have a complete control of the corporation for a period of five years with power to elect the Board of Directors (after the first year) and vote the stock of all shareholders. Each physician-stockholder has surrendered his stock to

the Board of Trustees and received in lieu thereof a voting trust certificate of equivalent value so far as dividends are concerned.

The Board of Trustees was carefully selected and is composed of the following outstanding men of ability and integrity whom we feel will guard the interest of the medical profession in a zealous and impartial manner:

J. Guy Strohm, Chairman
F. H. Dammasch, Secretary
W. B. Holden
Robert H. Ellis
A. M. Webster
Harold B. Myers

Ralph F. Davis

4040 For your further information we are pending copies of our articles of incorporation, constitution and by-laws, and the voting trust agreement.

We trust that this application will receive your prompt consideration.

Respectfully submitted:

MULTNOMAH INDUSTRIAL HEALTH ASSOCIATION

By the Board of Directors

(Signed) EUGENE P. OWEN, President

(Signed) KARL P. MORAN, Vice-President

(Signed) EARL D. DUBOIS, Secretary

(Signed) F. H. DAMMASCH, Treasurer

(Signed) H. F. LEONNARD

(Signed) RAYMOND R. STAUB

(Signed) J. GUY STROHM

This communication being, as stated, an application by the Association for the approval of this Council.

Dr. Carruth brought out the point that none of the documents submitted covered the matter of individual or family solicitation.

Dr. Carruth moved that action be postponed one week and that the President appoint a committee to draw up a certificate of approval to be submitted to an attorney and then to the Council for their approval. This was seconded by Dr. Jones and passed unanimously."

FROM THE MINUTES OF THE COUNCIL

November 22, 1932

"A letter from the Multnomah Industrial Health Association was read in which notice was given that the following amendment to the By-Laws of the Association had been made:

44. In the conduct of its business this corporation shall not solicit the business or patronage of individuals or families either directly or indirectly.

The following certificate presented by the committee appointed for this purpose was read:

"This is to certify that the Council of the City and County Medical Society of Portland and Multnomah County, Oregon, has examined the Articles of Incorporation, Constitution, By-Laws, and plans of operation of the Multnomah Industrial Health Association, and in accordance with a certain resolution adopted by this Council on October 18th, 1932, and approved by the Society in open meeting on October 19th, does hereby approve said association and declares that members of the Society may affiliated with said Association if they so desire."

It was moved by Dr. Woolley and seconded by Dr. Jones that the certificate be granted. Passed.

Plaintiff's Exhibit 214

4041

Report No. 5

Special Committee on Study of Medical Care
For Low-Income Groups

April 1, 1935.

Copy No. 2

Dr. N. W. Jones

PROPOSED QUESTIONNAIRES TO ASSIST IN ESTABLISHING INCOME LEVELS

for eligibility to

PART-PAY MEDICAL SERVICE

I. Any study of all standards of living must include the following:

INDIGENT

1. Bare Subsistence

PART-PAY

2. Minimum for Health and Efficiency (Able to pay for minor ailments only and must drop back into "Indigent" class when any unusual illness).
3. The decency level (minimum comfort).

FULL-PAY

4. Comfort (some drop back during major illnesses).
5. Moderately well-to-do.
6. Liberal.

(The above division into Indigent, part and full pay is only suggested and subject to study).

II. It is proposed to send the following (2) Questionnaires to local agencies and individuals for opinions as to the maximum incomes for "indigency" and the maximum incomes for "part-pay". The level between these two "maxima" probably includes those who should be eligible to medical service on periodic payment plans. This questionnaire would not be sent to physicians as such data has been included in the Physician's special questionnaire.

1. Questionnaire on first page—to establish maximum for indigency.
2. Questionnaire on second page—to establish maximum for part-pay.

4042 REQUEST FOR INFORMATION

BY THE

SPECIAL COMMITTEE ON THE STUDY OF MEDICAL CARE FOR LOW-INCOME GROUPS

OF THE

MULTNOMAH COUNTY MEDICAL SOCIETY

April 1, 1935.

Addressed to: .....

I. Please check Type of service furnished by your organization:

—— General Subsistence Relief
—— Special Subsistence Relief
—— Medical Relief

II. Please indicate upon which of the following bases you are furnishing relief to dependents:

—— Bare subsistence level.
—— The minimum for Health and Efficiency level.
—— Minimum comfort level.
—— Comfort level.

III. Please indicate maximum eligibility scale to your service:

A. Monthly Income:

1. Single person ☐
2. Man and wife ☐
3. Man and wife and one dependent ☐
4. " " " " two " ☐
5. " " " " three " ☐
6. " " " " four " ☐

Additional for each dependent more than six ☐

B. Other Factors:

1. _____
2. _____

Signed _____

The above data are requested to assist the medical society in its study of eligibility to medical care furnished through "sickness insurance" plans, and your cooperation will be appreciated.

Addressed to: _____

By the

Special Committee on "The Study of Medical Care Furnished to Low-Income Groups"

THE MULTNOMAH COUNTY MEDICAL SOCIETY

April 1, 1935.

Request for Opinion as to Maximum Income Level

for eligibility to part-pay medical service through the medium of a periodic pre-payment "insurance" plan at a rate of $2.00 per month, per person.

For Employed Firm Group Contracts

(Does not include members of a family or contracts with individuals)

— ••• —

I. Do you favor a pre-payment "sickness" insurance plan for low-income groups at all? _____

(Please check only one level in ONE of the following plans)

II. Do you favor this plan (according to size of family)?

(Monthly income)

1. $ 60.00, man and wife and $ 7.00 for each additional dependent _____
2. $ 70.00, man and wife and $ 8.00 for each additional dependent _____
3. $ 80.00, man and wife and $10.00 for each additional dependent _____
4. $ 90.00, man and wife and $12.00 for each additional dependent _____
5. $100.00, man and wife and $15.00 for each additional dependent _____
6. Do you favor a higher maximum? _____

III. Do you favor this plan (regardless of size of family)?

(Monthly income)

1. $75.00 per month _____
2. $90.00 " " _____
3. $100.00 " " _____
4. $125.00 " " _____
5. $150.00 " " _____
6. $175.00 " " _____
7. $200.00 " " _____
8. $250.00 " " _____
9. Over $250.00 " _____

OR

IV. Do you favor unlimited accessibility to periodic pre-payment insurance medical benefits, without regard to income? _____

(Use other side of sheet for additional remarks).

PLEASE CHECK ON E ONLY

Plaintiff's Exhibit 215

4043 COMMITTEE ON STUDY OF MEDICAL CARE FOR LOW-INCOME GROUPS

MULTNOMAH COUNTY MEDICAL SOCIETY

STATISTICAL STUDY

of the

INDUSTRIAL HOSPITAL ASSOCIATION

May 16, 1935

CONFIDENTIAL REPORT

Information for Members of Special Committee

Report No. 6

Copy No. 9

Doctor: Otis Akin

4044 GENERAL INFORMATION A. *Corporate*

1. OFFICIAL NAME: Industrial Hospital Association.

2. TYPE OF ORGANIZATION: A corporation operating for profit. Control through a voting trust which protects remaining members of organization should one member die or retire by giving power to other three to choose successor.

(3. NAMES OF STOCKHOLDERS AND NUMBER OF SHARES:

(4. NAMES OF DIRECTORS OR TRUSTEES:

	Share	Number	Value	Officers
Dr. C. C. Moore	¼	25 @ $100.	$2,500	President
Dr. R. J. Pilkington	¼	25 @ $100.	$2,500	Treasurer
Dr. Arthur Van Dusen	¼	25 @ $100.	$2,500	Vice-President
Mr. Will T. Kirk	¼	25 @ $100.	$2,500	Secretary and General Manager

5. TERMS OF OFFICERS: One year or until changed by vote.

6. NUMBER OF MEETINGS OF DIRECTORS DURING LAST YEAR: Two yearly and others as necessary.

7. ARE DIRECTORS OR OFFICERS PAID EXTRA FOR THEIR SERVICES IN THIS CAPACITY? No.

8. IS CONTROL ENTIRELY IN HANDS OF MEDICAL PROFESSION? (1) Policies. Board of directors composed of three physicians and one laymen direct organization. Physician members of board as President and Medical Director formulate the policies and direct the operation through the business manager who has direct charge of office and salesmen but are subject to policies as enacted by board-physician members. Dr. Moore feels that the direction of the organization is in the hands of the medical profession.

9. NET PROFIT OR LOSS EXPERIENCE: (See financial statements).

10. DIVIDENDS PAID REGULARLY: Bonus paid each member of firm in addition to basic salaries if business permits. Profit or dividends improbable under this plan.

11. ARTICLES OF INCORPORATION:

"We, R. A. Stone, A. L. Brown and M. H. Carr, whose names are hereto subscribed, do hereby associate ourselves together for the purpose of forming a corporation under and by virtue of the laws of the State of Oregon for the formation of a private corporation.

I.

The name of said corporation shall be INDUSTRIAL HOSPITAL ASSOCIATION and its duration shall be perpetual.

II.

The enterprise, business, pursuit or occupation in which said corporation proposes to engage is as follows: To engage generally in the business:

(1) Of making, performing and carrying out contracts and agreements with individuals, families, employees, corporation, societies and employers for the benefit of the employees;

(2) For the furnishing of medicine,

(3) Medical and surgical treatment;

(4) Nurse and hospital service;

4045 (5) Ambulance service;

(6) Dental serivce and any and all of the above,

as well as all necessary or convenient service and aid contingent upon sickness, accident or death, and to engage generally in the hospital association business, accordingly as now or hereafter provided by the laws of the State of Oregon, with full power and authority to acquire, own or sell such real and personal property as may be necessary or convenient for the transaction of its business, and also to do any and all things necessary or convenient to fully carry out any or all objects or purposes so expressed.

III.

The places where said corporation proposes to have its principal place of business is at Portland in the County of Multnomah, Oregon.

IV.

That the capital stock of said corporation shall be Ten Thousand Dollars ($10,000.00).

V.

The capital stock of said corporation shall be divided into one hundred (100) shares of the par value of One Hundred Dollars ($100.00).

IN WITNESS WHEREOF we, the undersigned, have hereunto set our hands and seals this 13th day of January, 1923."

R. A. STONE (SEAL)

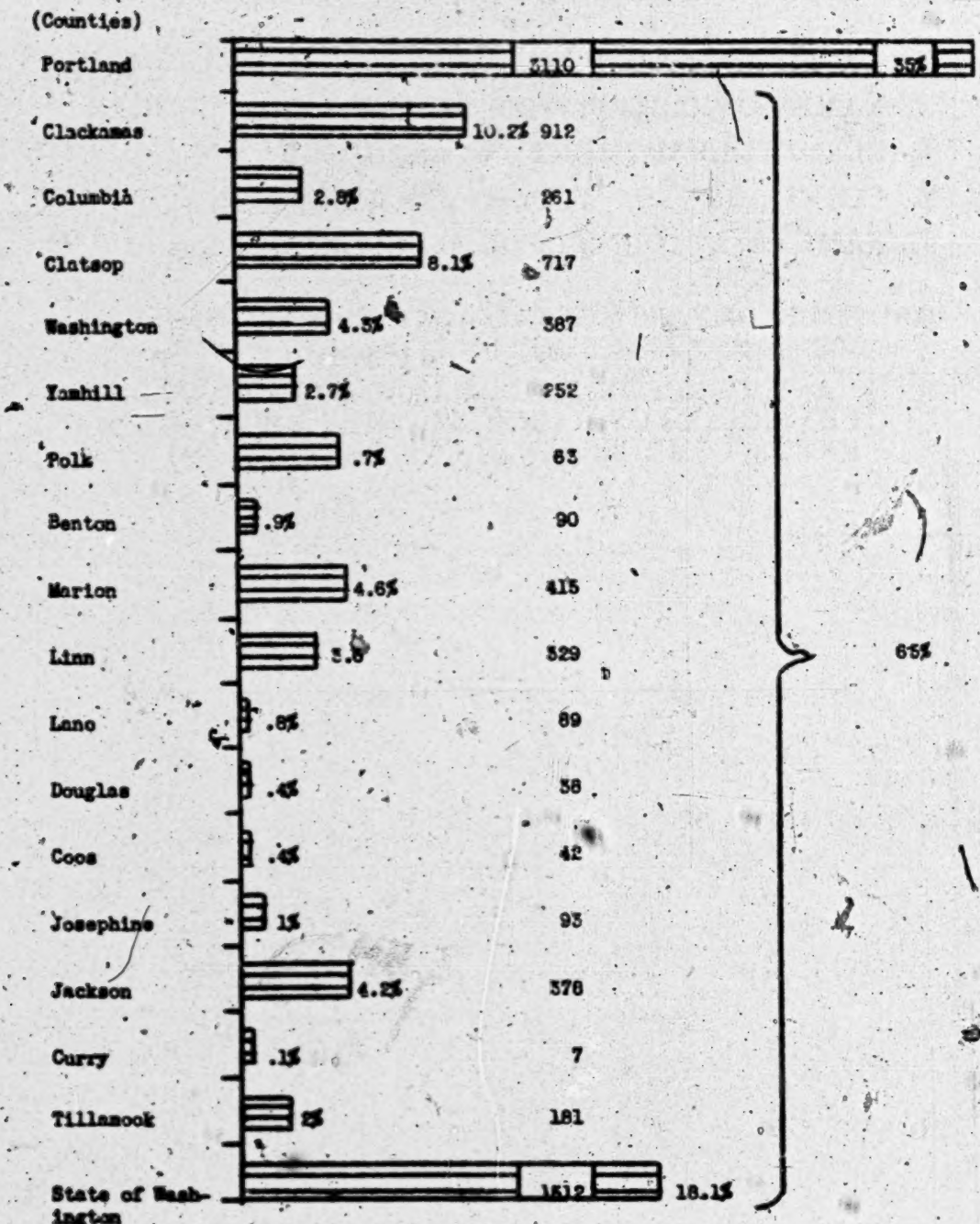
A. L. BROWN (SEAL)

M. H. CARR (SEAL)

GENERAL INFORMATION B. *Management*

1. MANAGING DIRECTOR (2). Dr. C. C. Moore, Medical Director and W. T. Kirk, Business Manager.
2. SALES DIRECTOR AND SALESMEN: T. W. Lewsadder, Sales Manager; Joe E. Mulligan, Salesman.
3. HEAD OF MEDICAL AND SURGICAL SERVICE: Dr. C. C. Moore
4. NAMES OF COMMITTEES, IF ANY: None.
5. CREDIT DEPARTMENT: Weldon H. Kirk.
6. CLAIM AGENTS: W. Duane and Weldon H. Kirk.
7. NAME OF ATTORNEY FOR ASSOCIATION: Robert Maguire.
8. OTHER DEPARTMENTAL HEADS: Office—Mrs. V. Nelson. Auditor (Office)—W. Duane Kirk.
9. IF ANY CONCERNED IN MANAGEMENT ARE PHYSICIANS ON PANEL, DO THEY RECEIVE EXTRA COMPENSATION FOR SERVICE? No.

TERRITORIAL COVERAGE
(Basis Subcribers)



4047 10. DOES LAY MANAGEMENT HAVE RIGHT TO PLACE RESTRICTIONS ON PATIENTS IN THEIR CONTACT WITH PHYSICIANS? (2) No, except that patients are restricted to physicians on "regular" staff panel. Patients restricted to this group unless referred to specialists by a member of the regular staff. Patient has a choice of physicians on "regular" staff.

GENERAL INCORMATION C. *General*

1. APPROVAL OF LOCAL MEDICAL SOCIETY: Never requested.

2. ATTITUDE OF DIRECTORS OF ASSOCIATION TOWARD THIS STUDY: No contact except with Medical Director.

3. ATTITUDE OF MANAGING DIRECTOR TOWARD THIS STUDY: No contact except with Medical Director.

3. ATTITUDE OF MANAGING DIRECTOR TOWARD THIS STUDY: Cooperative. Seems desirous of helping the society as a whole in working out problems of medical practice. Does feel that the "Multnomah" has forced all organizations to publicize and exploit physicians on panels of associations in competing with its sales policies. Previous to advent of Multnomah, medical service sold as such but now it is also necessary to sell it on basis of ability of one group of physicians as compared to another.

4. GEOGRAPHICAL AREA COVERED BY ACTIVITIES: Oregon and Washington.

HISTORICAL. A. *Short History of Association*

1. MOTIVE FOR STARTING: To provide medical service to sawmill and logging companies located on the Columbia River between Portland and Astoria. Due to enactment of laws governing associations and to competitive practices it was not possible as individual physicians to meet the complexities of the rapid growth of contract practice.

Originally provided a service which was not readily or adequately available to the owners of logging and sawmill companies.

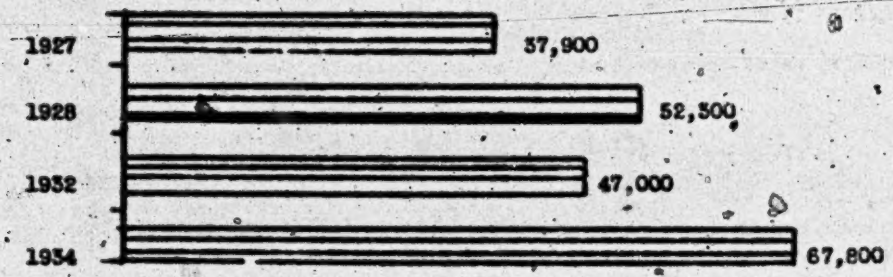
2. EARLY ORGANIZERS: Dr. C. C. Moore of Portland, Drs. R. J. Pilkington and Arthur Van Dusen of Astoria and Mr. Ralph Stone of Portland.

3. HAVE MOTIVES CHANGED SINCE EARLY PERIOD? (a) While coverage is still chiefly "Industrial" policy was modified during depression to a more diversified coverage to provide sufficient income to keep organization intact. Lumber industry closed down for a period and seriously jeopardized the income of this organization. Association intends to continue its present policy of a diversified coverage. (Comments on premiums—see that section).

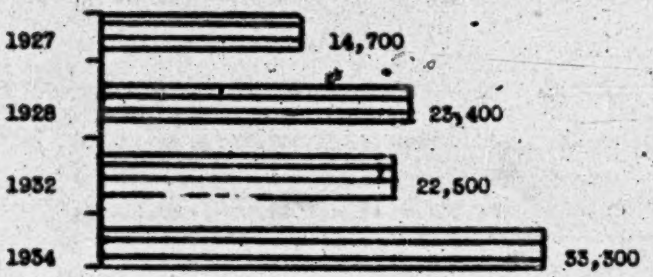
(b) As stated previously—in order to compete from a standpoint of selling medical contracts, due to a publicized staff by the Multnomah, it was found necessary to adopt similar salesmanship and to the extent of "selling", exploit more and more the individual members of the panel.

(c) The canning industry coverage was developed by the Industrial.

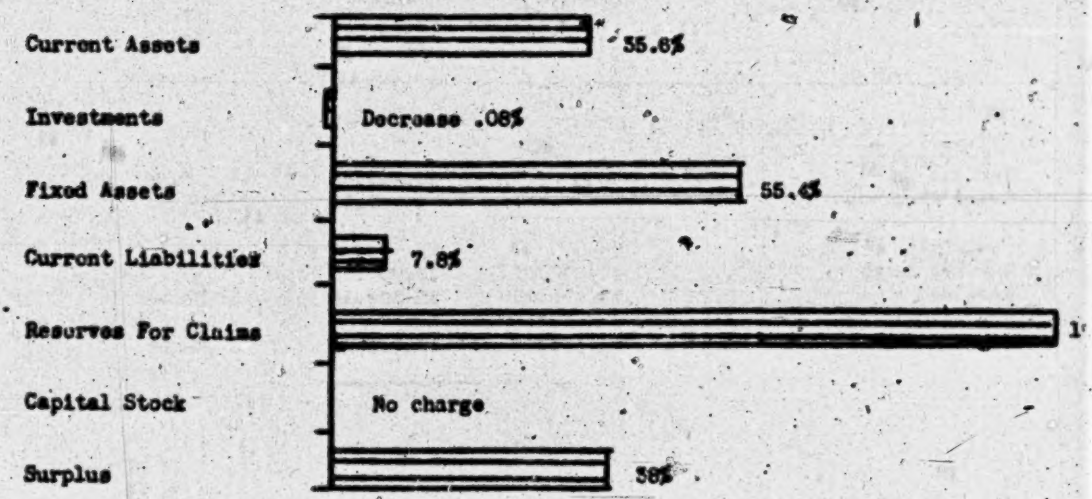
GROWTH OF ASSETS



SURPLUS



INCREASE OF ASSETS AND LIABILITIES
1928 Compared to 1934
(Per Cent)



ANALYSIS OF FINANCIAL STATEMENTS, 1934 - COMPLETE DETAILS

A. BALANCE SHEET: - As of December 31st.

	1927	1928	1932	1934
ASSETS				
Current	29,133.32	41,538.37	33,506.73	56,350.30
Investments	8,006.60	9,506.60	9,567.40	9,437.17
Total Current Assets	37,139.92	51,044.97	43,074.13	65,787.47
Fixed	813.05	1,322.47	3,972.37	2,056.37
TOTAL ASSETS	37,952.97	52,367.44	47,046.50	67,843.84
LIABILITIES				
Current	13,207.85	18,965.16	14,538.59	20,441.65
Total Reserves	-	-	-	4,098.04
Total Current Liabilities	13,207.84	18,965.16	14,538.59	24,539.69
CAPITAL				
Capital Stock (Issued & fully paid)	10,000.00	10,000.00	10,000.00	10,000.00
Surplus, Jan. 1,1927-28 -32-35	14,745.12	23,402.28	22,507.91	33,304.15
TOTAL LIABILITIES AND CAPITAL	37,952.97	52,367.44	47,046.50	67,843.84

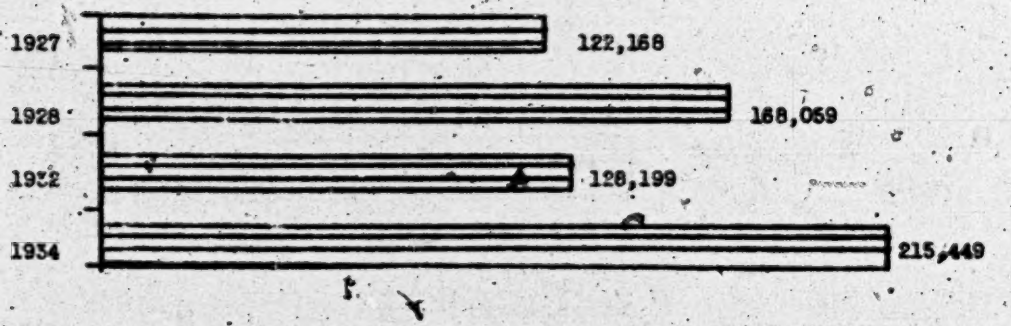
COMPARATIVE BALANCE SHEET ITEMS - 1928 to 1934

	1928	1934	Per Cent Increase
ASSETS			
Current	41,538.37	56,350.30	35.6+
Investments	9,506.60	9,437.17	.08-
Total Current Assets	51,044.97	65,787.47	28.9+
Fixed	1,322.47	2,056.37	55.4+
TOTAL ASSETS	52,367.44	67,843.84	29.5+
LIABILITIES			
Current	18,965.16	20,441.65	7.8+
Total Reserves	-	4,098.04	100.0+
CAPITAL			
Capital Stock	10,000.00	10,000.00	-0-
Surplus	23,402.28	33,304.15	38.0+
TOTAL LIABILITIES & CAPITAL	52,367.44	67,843.84	29.1+

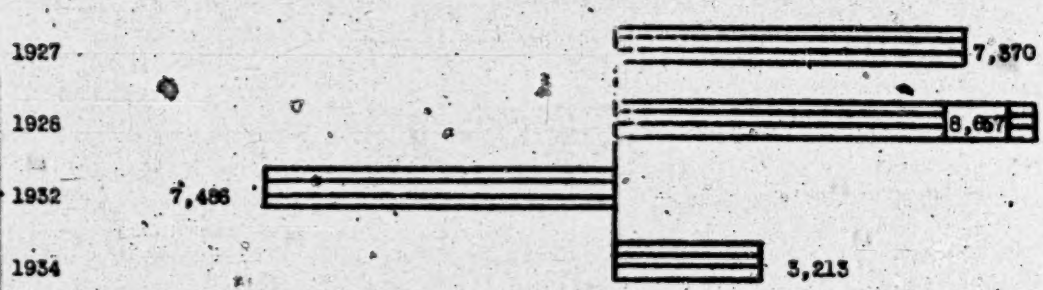
4050

PROFIT AND LOSS EXPERIENCE

Comparative Income

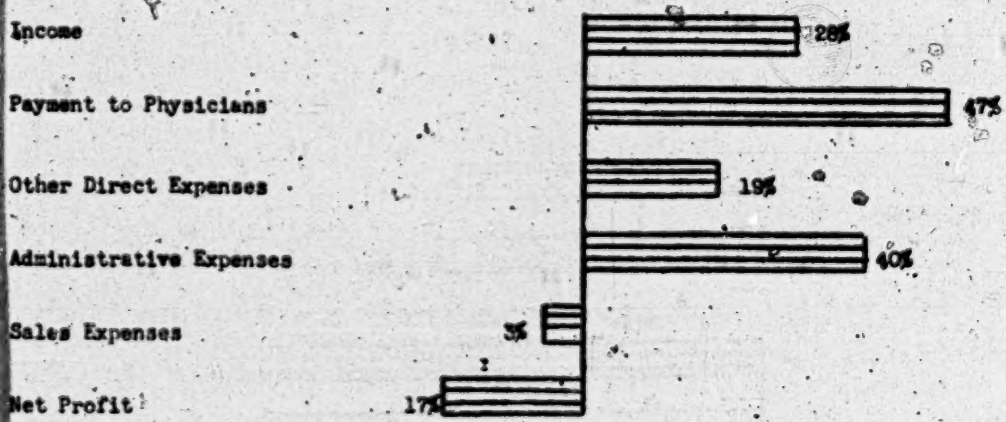


Comparative Profit or Loss



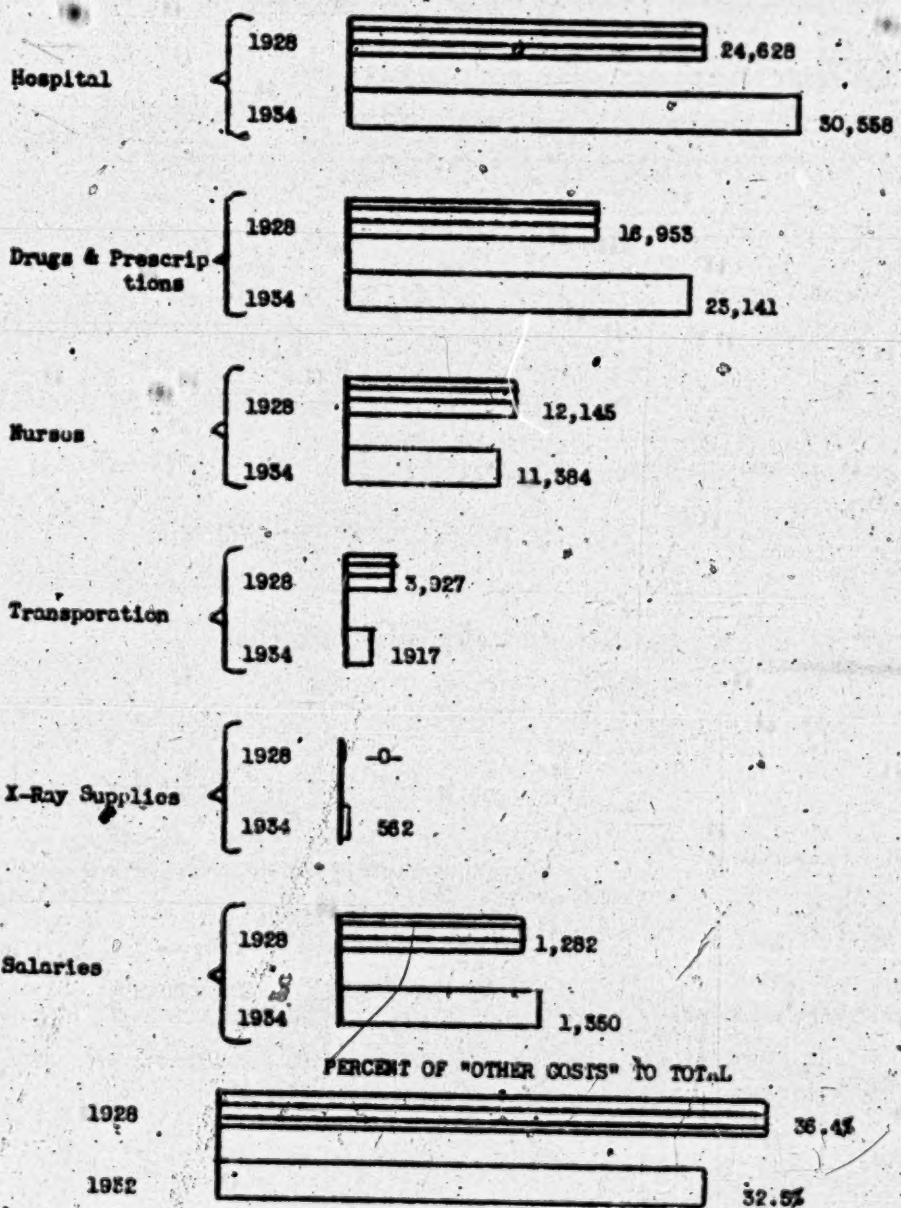
Percent Increase Income and Expenditures

1928 to 1934

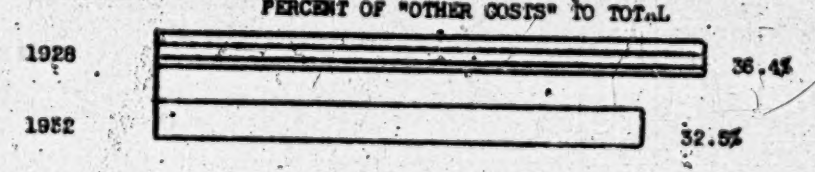


ANALYSIS "OTHER DIRECT COSTS"

1928 Compared to 1934



PERCENT OF "OTHER COSTS" TO TOTAL



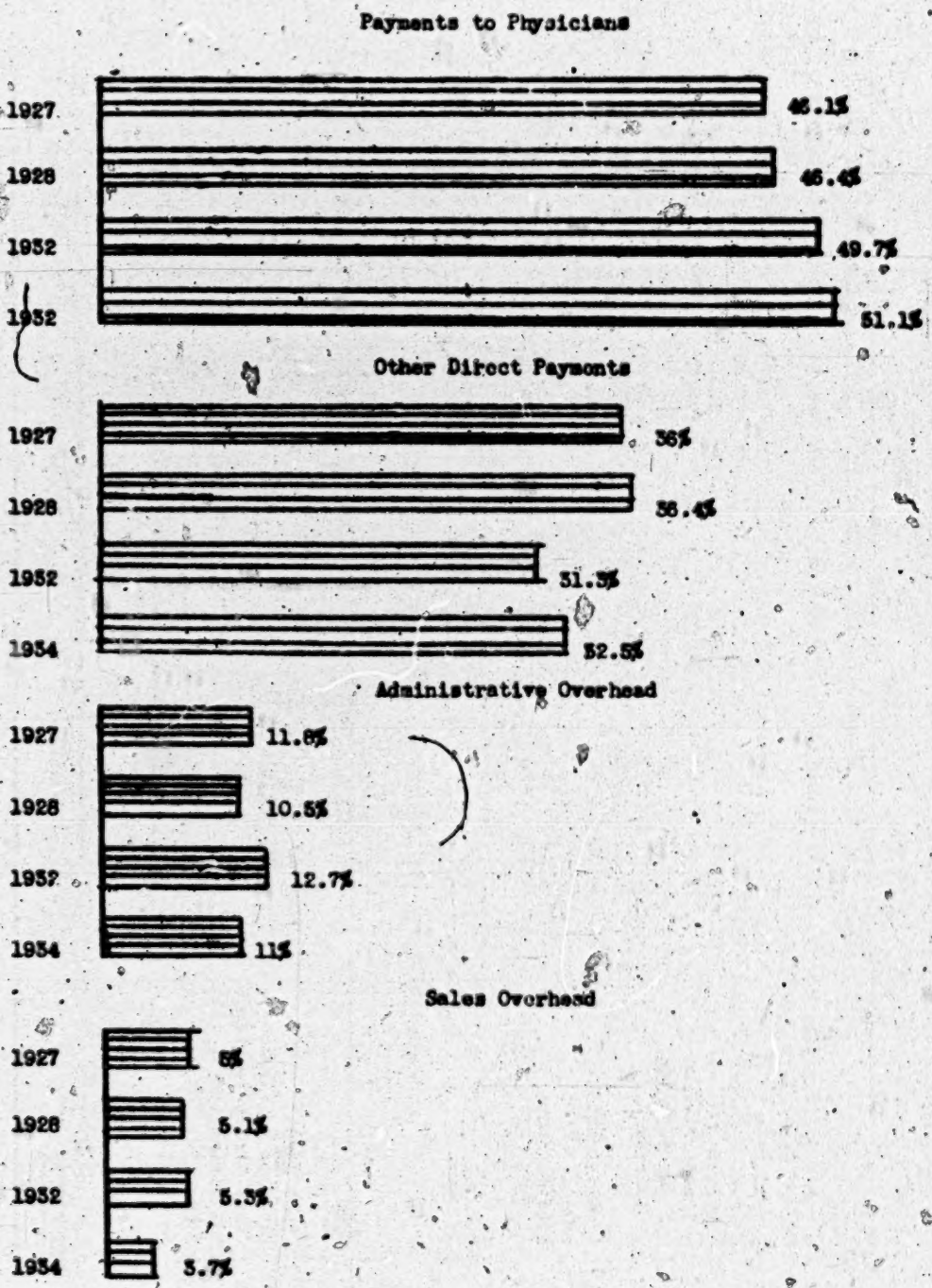
B. PROFIT AND LOSS STATEMENTS (Per cent figures represent fraction of total expenditures).

	1927		1928		1932		1934	
INCOME	122,158.19		168,059.25		128,199.45		215,449.37	
EXPENDITURES								
Payment to Physicians	51,714.81	(46.1%)	73,926.63	(46.4%)	67,388.59	(49.7)	108,457.36	(51.1%)
Other Direct Services								
Hospital	18,595.91		24,628.01		14,724.76		30,558.22	
Drugs & Prescriptions	11,702.64		16,953.35		16,320.03		23,141.18	
Nurses	7,573.83		12,145.56		8,049.19		11,384.70	
Transportation	2,472.68		3,027.56		1,873.03		1,917.04	
X-Ray Supplies	-		-		375.50		562.86	
Salaries	1,069.84		1,282.88		1,155.20		1,350.55	
	41,414.90	(36.0%)	58,037.36	(36.4%)	42,497.71	(31.3%)	68,984.53	(32.5%)
Administration	13,574.98	(11.8%)	16,669.25	(10.5%)	17,202.07	(12.7%)	23,264.39	(11.0%)
Sales	6,762.37	(5.0%)	8,136.91	(5.1%)	7,176.24	(5.3%)	7,921.00	(3.7%)
Miscellaneous	1,330.23	(1.1%)	2,631.94	(1.6%)	1,421.45	(1.0%)	3,678.81	(1.7%)
Total Expenditures	114,797.29		159,402.09		136,686.06		212,236.19	
NET PROFIT	7,370.88		8,657.16		7,486.61		3,213.18	

COMPARATIVE PROFIT AND LOSS ITEMS - 1928 to 1934

	1928	to	1934	Per Cent Increase
INCOME	168,059.25		215,449.37	28.1+
EXPENDITURES				
Payments to Physicians	73,926.63		108,457.36	46.7+
Other Direct Services	58,037.36		68,914.53	18.7+
Administration	16,669.25		23,264.39	39.5+
Sales	8,136.91		7,921.00	2.7-
Miscellaneous	2,631.94		3,678.91	39.7+
Total Expenditures	159,402.09		212,236.19	33.1+
NET PROFIT	8,657.16		3,213.18	16.9-

RATIO TO TOTAL EXPENDITURES



4054 F. DIVIDENDS DECLARED OVER PERIOD OF YEARS: See "bonus" plan under III-A-10.

G. SINKING FUNDS AND PURPOSES: None.

H. IS THERE AN ANNUAL AUDIT? Yes. BY WHOM? Sawtelle, Goldrainer Company

ADMINISTRATIVE AND SALES OVERHEAD

A. TOTAL COST 1934: (A) ADMINISTRATIVE $23,264; (B) SALES $7,921.00

B. NUMBER OF COMPENSATED EMPLOYESS: 10 ADMINISTRATIVE 8; SALES 2;

C. RATIO OF ADMINISTRATIVE AND SALES EXPENSE TO TOTAL DISBURSEMENTS:

	1927	1928	1932	1934
Adm. & Sales Per cent—Overhead	16.8%	15.6%	18%	14.7%

SALES POLICIES

A. MEMBERSHIPS: None

B. CONTRACTS:

1. GENERAL GROUPS NOT SOLICITED: School teachers

2. BASIS OF COMPENSATION TO SALESMEN: Salary.

C. SALES PROSPECTUS: At times literature has been temporarily used without permission of medical director but withdrawn as soon as it came to his attention. Literature now limited to one leaflet. A copy of pamphlet now being used, and while prepared at time the firm was making a bid for school teacher business, it is now used for general purposes:

Cover of Leaflet—Copy

"THE MODERN WAY
of protection against the
Burden of Hospital and
Doctor Bills . . . . A

detailed statement of the services provided by the INDUSTRIAL HOSPITAL ASSOCIATION for the teachers of the Portland School District under its Special Full Coverage Insurance Plan.

INDUSTRIAL HOSPITAL ASSOCIATION
Home Office, Medical Arts Building
Portland Oregon

. . . . . .

4055- (Copy of information contained in leaflet)

"No one has a guarantee against sickness or injury.

When sickness comes or we are the victims of an accident, there are doctor bills, hospital bills, drug bills and perhaps other medical expenses. These expenses often come at a time when we can least afford them. Therefore it is the part of wisdom to protect oneself against these expenses. This protection may be had through the organized medical service of the Industrial Hospital Association.

Are you prepared to stand the expense of a serious illness or injury? Why do it, when cooperation makes it unnecessary.

This service is available on the group protection plan, where each individual pays a small sum each month and all are protected at all times against the burden of hospital and doctor bills.

Its very nature makes this a personal service, based upon the foundation of good will and the confidence of the thousands of men and women who have shared its benefits.

To win and retain this good-will has required the rendering of prompt and capable medical service, and the management of the Industrial Hospital Association takes a great deal of pride in the character of service that is given under our Special Full Coverage Plan.

It is easy to speak in general terms of complete or full coverage medical service, but every medical contract that is sold at a price within the reach of the average individual must have specific terms and certain limitations. It is our thought that every person who is contemplating coming under the protection of such a service should have the details clearly present for his consideration. He should not rely upon generalities, but should know all the benefits and all the limitations. With this end in view we offer the following outline of the benefits of the Industrial Hospital Association's Special Full Coverage service:

When every teacher pays a small sum each month, all are protected against hospital and doctor bills
It is the modern way.

LOCATION: The Association has its home office and staff physicians located in the Medical Arts Bldg., where it has easy access to all the modern conveniences and facilities that are to be found in such a large medical center. These facilities, such as the well equipped surgery and emergency hospital, the large X-Ray laboratory, the large clinical laboratory and other conveniences, are used regularly for the benefit of members.

TELEPHONE SERVICE: The Association has 24-hour telephone service, so that calls may be received at any hour of the day or night.

PHYSICIANS AND SPECIALISTS: The services of physicians, surgeons and specialists are provided by the Association. For this purpose the Association employes only experienced, capable physicians and leading specialists. In emergencies, if one of the Association's physicians cannot be reached, the nearest practicing physician may be called to take care of the emergency. If one who is entitled to the benefits of the Association should be taken sick or receive personal injury while traveling or away from his home city, the Association will pay for the necessary medical care at the nearest place available on the basis of the rates prevailing in that locality for similar services. Services of physicians are limited to one year in any one case.

4056

Protect yourself against hospital and doctor bills. The most effective way is through the organized medical service of the Industrial Hospital Ass'n.

HOSPITAL CARE: Members requiring hospital care may have their choice of St. Vincent's or Emanuel Hospitals. Emergency cases, outside the city of Portland, would be hospitalized wherever hospital care could be obtained for the particular case. Hospital service is to be ward service, except that in serious cases where a private room is necessary the same will be furnished for not longer than thirty days. Hospital care, when needed, will be furnished for six months in any one

case. If a patient prefers to have a private room, he may do so by paying the hospital the difference between the ward rate and the private room rate. The hospital service includes general nurse, use of surgery, X-rays, laboratory, medicines and medical and surgical attendance.

SURGICAL OPERATIONS: When a surgical operation is needed for any condition that comes under the protection of the Association the operation is taken care of as a regular part of the service. This includes hospital care, services of competent surgeons, and a special nurse, if needed.

MEDICINES: All necessary medicines and medical and surgical supplies, including orthopedic appliances, as may be prescribed by the Association's physicians, are furnished by the Association. This does not include such articles, as artificial limbs, glass eyes, glasses, false teeth, etc.

SPECIAL NURSES: In those cases of serious illness or injury, when the services of the general ward cases are not adequate in the judgment of the Association's attending physicians, the services of day and night special nurses will be provided for not more than thirty days in any one case.

X-RAY SERVICE: The Association will provide X-Rays in cases of fractures or suspected fractures, and in other cases, including dental X-Rays when needed.

DENTAL SERVICE: Dental services include dental X-Rays, treatment for toothache and extraction of teeth.

CLINICAL LABORATORY FINDINGS: Clinical laboratory findings will be provided by the Association as directed by the attending physician, surgeon or specialist.

PHYSICAL THERAPY: Physical therapy treatments which include osteopathic treatments, are given when needed.

REFRACTIONS: Eyes will be examined or tested for glasses by the Association's specialists.

PHYSICAL EXAMINATIONS: The Association will provide an annual physical examination.

AMBULANCE SERVICE: The Association will bear the expense of necessary ambulance service in conveying the sick or injured to the hospital.

COVERAGE: It is highly important for you to know exactly the conditions or ailments that will come under this service, and to know the conditions that are excluded, so that you will have a clear understanding of the benefits to which you will be entitled. The coverage is as follows:

A. Accidental injuries received either during employment or outside employment.

B. Acute sickness, contracted either during employment or outside employment. The term "acute sickness" as used herein means such conditions as influenza, pneumonia, typhoid fever, smallpox, and other ailments of a similar nature that develop quickly and run their course, as differentiated from ailments that develop more slowly over a longer period of time and are more or less chronic in their nature.

C. Chronic conditions that become acute. This will include hospital care and surgical operations for such conditions as goitre, tumor, stomach ulcers, gall stones, kidney stones, hemorrhoids and other ailments of this nature.

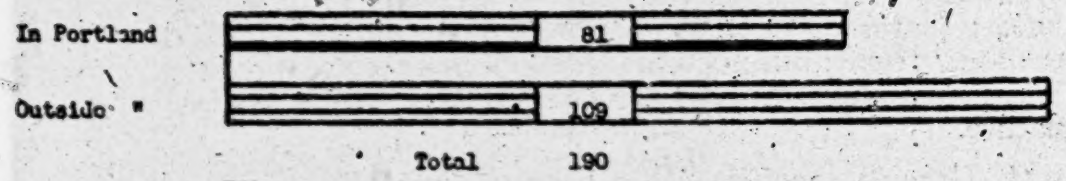
D. Tonsils will be removed when needed.

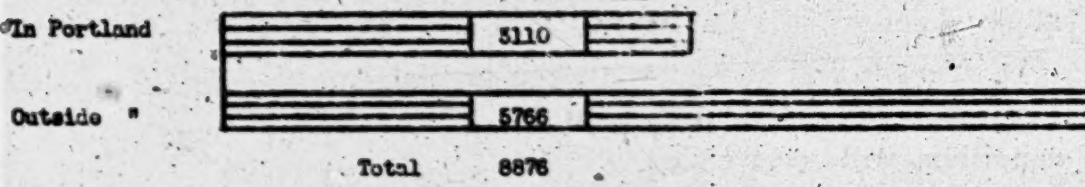
E. Operations for deviated septums and acute sinus conditions will be provided.

F. Cancer will be treated, including treatment by radium.

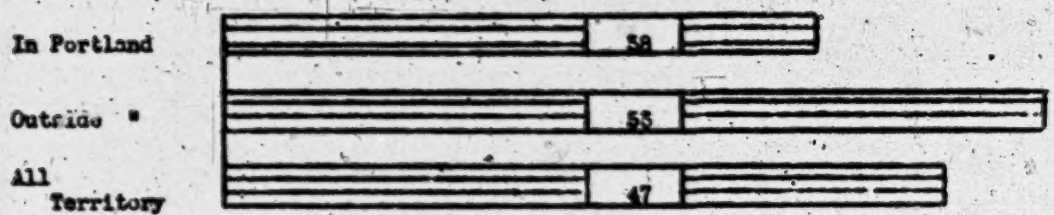
CONTRACT AVERAGES

Total Contracts

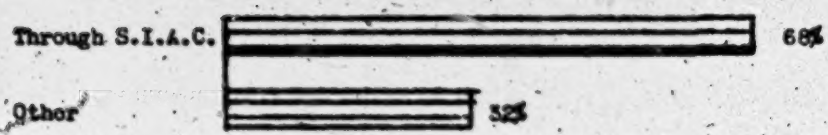




AVERAGE COVERAGE PER CONTRACT



CONTRACTED THROUGH STATE INDUSTRIAL ACCIDENT COMMISSION
(Basis Subscribers)



4058 G. Tuberculosis will be treated, including hospital or sanitarium treatment.

The conditions which do not come under this service are deformities, infirmities, or accidental injuries which definitely existed prior to the time of coming under this service; cases of insanity, attempt at suicide, conditions resulting from the use of intoxicating liquors, narcotics or drugs, pyorrhea, venereal diseases or conditions arising therefrom, pregnancy or childbirth, sickness active at the time of coming under this service, and injuries resulting from acts of violence. Hospital or ambulance service are not furnished for diseases subject to quarantine or for afflictions of diseases that become epidemic, but doctor's services and necessary medicines will be provided.

VACATION PERIODS: Teachers will have the privilege of continuing their protection under this service during vacation periods. If one who is entitled to the benefits of this service should be taken sick or meet with personal injury during temporary absence from the districts in which the Association maintains medical representatives, the Association will pay for necessary medical, surgical and hospital services in the nearest city in which suitable services may be obtained, said services to be paid for upon the basis of the rates prevailing in that locality for similar services.

COST OF SERVICE: The cost of the service is $2.00 per month, per individual.

There is no conflict between this service and the benefits of Workmen's Compensation, or disability or life insurance.

The foregoing outline will give you a general view of the service that you will receive from the Industrial Hospital Association. When one considers the comparatively small fee being charged, it is a broad and comprehensive service that is being offered. It is a most valuable protection in time of need.

Will T. Kirk,
General Manager."

UNDESIRABLE PRACTICES NECESSITATED BY COMPETING ASSOCIATIONS

A. OBTAIN LIST OF UNDESIRABLE PRACTICES EACH ASSOCIATION FEELS THE OTHERS IN THE FIELD ENGAGE IN:

(1) Rendering a service free of charge to gain contracts. (Director does not approve).

(2) Over salesmanship (high pressure). Statements made by salesmen which is not covered in contracts.

(3) Price of cutting premium rates. Dr. Moore feels that if hospital associations are to be controlled and stabilized it is necessary to standardize contracts and premiums. If these too can be standardized the chief difficulties will be solved.

PUBLICITY POLICIES

A. PUBLIC ADDRESSES: No.

B. NEWSPAPER ADVERTISING: Some. Being curtailed.

C. RADIO TALKS: No.

CONTRACTS

TYPE OF COVERAGE
(Whole Territory)

TYPE OF COVERAGE - PORTLAND ONLY

4060 D. DIRECT MAIL: None, except through firms.

E. HANDBILL DISTRIBUTION: No.

F. DISTRIBUTION OF LITERATURE THROUGH FIRMS: Yes; occasionally. Mostly handled through salesmen.

G. DOES AN ADVERTISING AGENCY HAVE CHARGE OF ADVERTISING? No.

EPIDEMICS

A. PLAN FOR MEETING: Not required to furnish hospitalization, but do provide doctors services and drugs.

B. RESERVES SET ASIDE ANNUALLY: None.

D. PAST EXPERIENCE WITH EPIDEMICS: Once a "flu" epidemic. — Not classified as epidemic). Occasionally isolated localized epidemics:

(a) Typhoid —

(b) Contagious diseases. —

Have hospitalized epidemic diseases but not required to do so.

DATA CONCERNING CONTRACTS

A. LIST OF FIRMS WITH MEMBERS FOR EACH: Data collected without names

B. TOTAL INDIVIDUALS COVERED: 8876.

C. LARGEST ORGANIZATION COVERAGE: 1200; SMALLEST: 1; AVERAGE: 47.

D. TAKEN FROM OTHER HEALTH ASSOCIATIONS —Names of firms, members and association taken from: Not available as association has operated since 1923.

E. PER CENT OF INDIVIDUALS TAKEN FROM OTHER ASSOCIATIONS COMPARED TO TOTAL COVERAGE: See "D" above.

F. PER CENT OF CONTRACTS TAKEN FROM OTHER ASSOCIATIONS COMPARED TO TOTAL CONTRACTS: See "D" above.

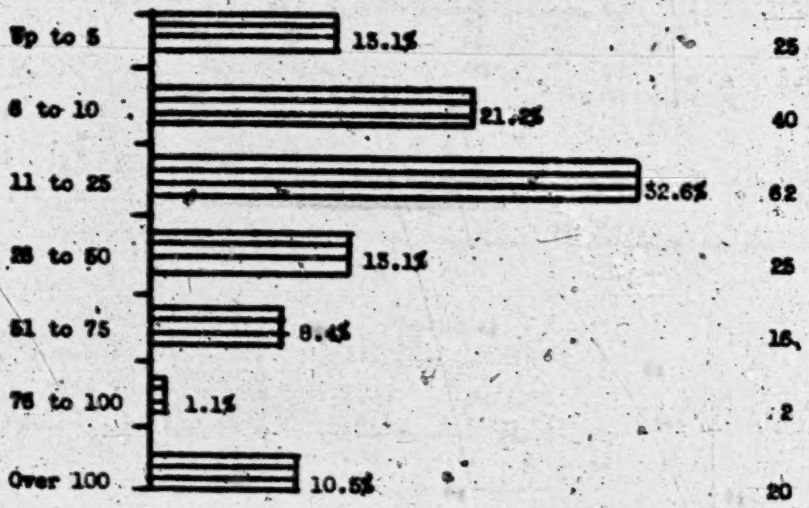
G. CLASSIFICATION OF CONTRACTS:

TYPE OF CONTRACTS & SUBSCRIBERS:

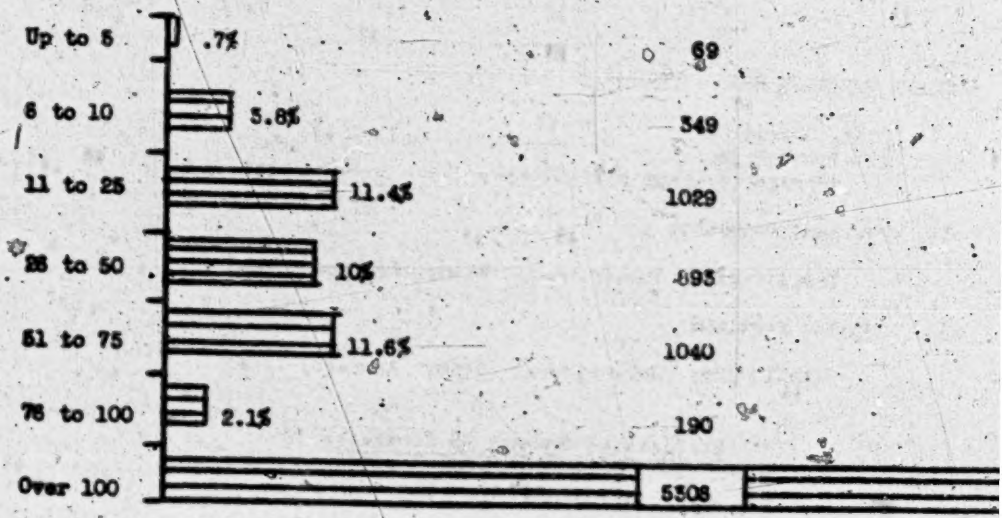
	Contracts		Subscribers	
	Number	Per Cent	Number	Per Cent
Modified	54	28.2	2367	26.6
Full Coverage	129	68.0	5194	58.6
Standard Coverage	7	3.8	1315	14.8
Total	190	100.0	8876	100.0

CONTRACTS BY SIZE

Basis of Number of Contracts (Whole Territory)



Basis Subscribers Covered (Whole Territory)



BY SIZE
(Portland Only)

Contracts		Subscribers			Contracts		Subscribers	
					Number	Per Cent	Number	Per Cent
13	1.6%	27	.9%	Up to 5	25	13.1	89	1
15	18.5	135	4.3	6 to 10	40	21.2	349	3.8
30	37.0	496	16.2	11 to 25	62	32.6	1029	11.4
10	12.3	328	10.4	26 to 50	25	13.1	893	10
6	7.5	385	12.3	51 to 75	16	8.4	1040	11.6
1	1.2	100	3.2	76 to 100	2	1.1	190	2.1
6	7.5	1641	52.7	Over 100	20	10.6	5308	60.4
81	100	3110	100		190	100.0	8878	100.0

FIRM RECOGNITION

	Contracts		Subscribers	
	Number	Per Cent	Number	Per Cent
Signed by Firms	174	91.6	8582	96.7
Non-Firms	16	8.5	294	3.3
	190	100.0	8878	100.0

B.I.A.C. CONTRACTS

	Contracts		Subscribers	
	Number	Per Cent	Number	Per Cent
Contracts with BIAC	82	43	6013	68
Not with BIAC	108	57	2865	32
	190	100	8878	100

AVERAGE COVERAGE AND CONTRACTS

I. Total Contracts 190
Total Subscribers 8878
Average coverage per contract 47

II. Portland Contracts :

Total: 81; Subscribers: 3110; Average: 38.

III. Outside Portland:

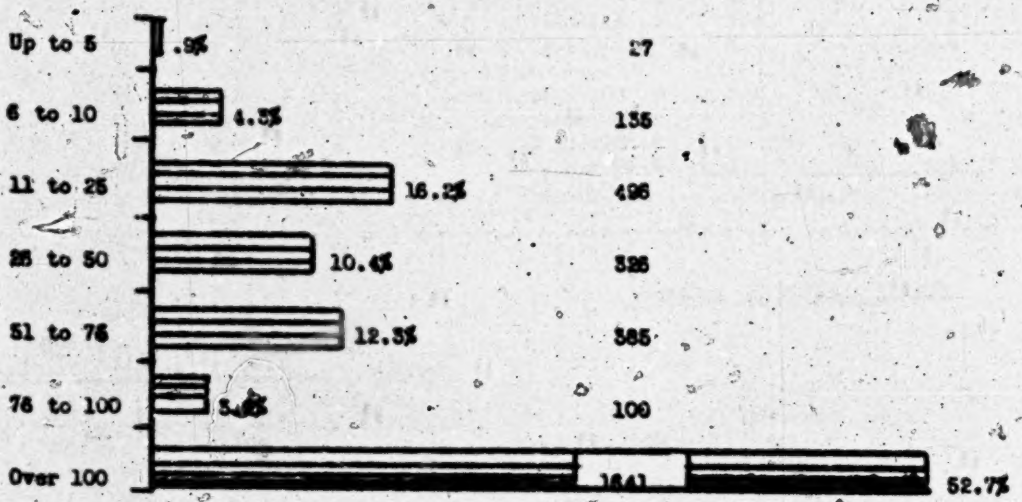
Total: 109; Subscribers: 5766; Average: 53.

Statistical Summary on Contracts

(Continued next page)

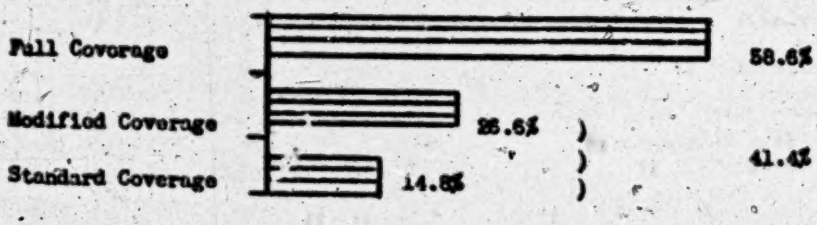
Contracts by Size - Portland Onl

(Basis Subscribers)



TYPE OF COVERAGE

(Basis Subscribers)



CONTRACT COVERAGE SIGNED BY FIRMS

CLASSIFICATION BY TYPE OF FIRM

Portland Only Contracts No.	Portland Only Contracts %	Portland Only Subscribers No.	Portland Only Subscribers %		Contracts No.	Contracts %	Subscribers No.	Subscribers %
35	43.5	2514	74.4	1. Industrial	121	63.7	7259	81.8
2	2.4	24	8.0	2. School	2	1.5	24	.3
18	22.2	500	16.1	3. Merchandising	21	11.0	526	5.9
12	14.8	197	6.4	4. Automotive	16	8.4	277	3.1
2	2.4	15	.5	5. Small Business (Non-merchandising)	2	1.5	15	.2
5	6.1	53	1.5	6. Transportation	8	4.2	76	.8
-	-	-	-	7. Governmental	5	3.0	73	.8
-	-	4	-	8. Public Utility	6	3.0	600	6.7
7	8.6	7	.5	9. Other	2	1.1	26	.4
81	100.	3110	100.	TOTALS	190	100.	8876	100.

CLASSIFICATION BY LOCATION

	Contracts Number	Contracts Per Cent	Subscribers Number	Subscribers Per Cent
1. Portland	81	42.6	3110	35.0
2. Multnomah (outside Portland)	-	-	-	-
3. Clackamas	4	2.1	912	10.2
4. Columbia	6	3.0	261	2.9
5. Clatsop	20	10.4	717	8.1
6. Washington	8	4.2	387	4.3
7. Yamhill	10	5.1	252	2.7
8. Polk	2	1.5	65	.7
9. Benton	2	1.5	90	.9
10. Marion	3	1.5	415	4.6
11. Linn	9	4.1	529	5.6
12. Lane	5	3.0	89	.8
13. Douglas	2	1.5	58	.4
14. Coos	3	1.5	42	.4
15. Josephine	4	2.1	93	1.0
16. Jackson	7	3.8	378	4.2
17. Curry	1	1.0	7	.1
18. State of Washington	17	3.9	1512	18.1
19. Tillamook	6	3.0	18	2.0
Total	190	100.	8876	100.

SUMMARY

	Contracts Number	Contracts Per Cent	Subscribers Number	Subscribers Per Cent
Portland	81	42.6	3110	35.0
Outside of Portland	109	57.4	5766	65.0
Total	190	100.	8876	100.

4064 I. CONTRACTS LOST TO OTHER ASSOCIATIONS—NAMES OF FIRMS AND NUMBERS: Data not available.

J. CONTRACTS CANCELLED BY STATE INDUSTRIAL ACCIDENT COMMISSION: None.

K. FIRMS UNDER JOINT COVERAGE: Olds Wortman & King.

SCOPE OF MEDICAL CARE OR BENEFITS, WITH LIMITATIONS

LIMITED "CONTRACT" COVERAGE

A. AMBULATORY CARE—OFFICE VISITS: Yes.

B. CARE IN THE HOME: Yes.

C. MEDICINES AND ACCESSORIES: Yes.

D. CONSULTATION SERVICE: Yes.

E. SPECIALISTS CARE: Yes.

F. EMERGENCY CARE: By other doctors not on panel.

G. X-RAY SERVICE: yes.

H. CLINICAL LABORATORY TESTS: Yes.

I. PHYSICAL THERAPY: Yes.

J. PREVENTIVE MEDICAL SERVICE: Prophylaxis —(Full Coverage)

K. HOSPITAL COVERAGE: 6 months (Full)—3 months (Mod. & Stan).

L. AMBULANCE SERVICE: Yes.

M. NURSING: Yes.

N. LEGAL SERVICE: No.

O. DENTAL SERVICE: Limited to extractions and prophylaxis (except pyorrhea)

P. CASH BENEFITS (7)

1. Permanent disability)
2. Temporary disability)
3. Burial benefits) : None
4. Death claims)

Q. EXCLUDED SERVICES:

1. Insanity: Yes
2. Pregnancy and accompanying disorders: Yes
3. Tuberculosis: Full coverage only.
4. Conditions due to use of:
   a. Narcotics: No.
   b. Intoxicants: No.
5. Venereal diseases: No.
6. Conditions existing prior to coverage: No.
7. Chronic diseases: Yes on Full and some on Modified Coverage.

R. MAY PATIENT SELECT PORTION OF COVERAGE WHEN FULL PREMIUM PAID? Yes, in hospital and drugs—when oked by Medical Director.

Samples of Contracts as follows:

I. STANDARD COVERAGE: Note: The underlined words do not appear in Full Coverage Contract.

"STANDARD COVERAGE HOSPITAL AND MEDICAL AGREEMENT"

4065 MEMORANDUM OF AGREEMENT, made and entered into this ..... day of .....193...., by and between the INDUSTRIAL HOSPITAL ASSOCIATION, an Oregon Corporation, hereinafter called the Association, and .... hereinafter called the Employer.

WITNESSETH:

The Association, for the consideration hereinafter set forth to be paid to it by the Employer, hereby promises and agrees to provide hospital services, medical and surgical services, including services of specialists, medicines and medical and surgical supplies and orthopedic appliances, nursing, dental services, X-Ray, laboratory services, ambulance service, and physical-therapy as may be needed under the terms of this agreement by the employees of the Employer in his operations at ..... for personal injuries received either during employment or outside of employment and/or for sickness either during employment or outside of employment, said services and the coverage of this agreement being more particularly described as follows:

1. The Association will provide all necessary and proper medical and surgical treatment, as set forth below, required by such employees for injuries or for sickness coming under the terms of this agreement, by physicians employed by the Association, and for this purpose the Association agrees to employ one or more duly licensed physicians at .....2....., and Portland, Oregon, said physicians to be called only when the injury or illness of the employee is too serious to permit him to call at the physician's office. Services of physicians will be limited to one year for any one case.

2. EMERGENCY PHYSICIANS: In case a probably serious injury or illness is sustained by an employee entitled to these benefits and one of the Association's authorized physicians cannot be reached or is unable to attend such injured or ill employee, the Employer may call the nearest practicing physician, licensed by the Oregon State Board of Medical Examiners to render emergency services to such injured or ill employee until such time as the Association's authorized physician can give said employee his attention, and the expense of the emergency treatment will be defrayed by the Association on the basis of the rates and fees in use by the State Industrial Accident Commission of Oregon for similar services. It shall be the duty of the Employer to immediately notify the Association that said injured or ill employee is in need of medical attention and is being attended by an emergency physician. Emergency treatment includes first aid treatment only and does not include continued treatments or surgical operations, except when specifically authorized by the Association.

3. SUBROGATION: In the event that the employee shall be injured away from the place of his work by a third party, the Association shall be subrogated to the rights of the employee against said third party to the extent of the disbursements expended by it for his benefit under this contract, and the acceptance by the employee of the benefits hereunder shall constitute his agreement and assent to such subrogation.

4. SPECIALISTS: Services of eye, ear, nose and throat specialists will be furnished when needed for the care of injury or disease of the eye, ear, nose and throat. Services of other specialists will also be furnished by the Association as may be deemed necessary by the Association's physicians or surgeons.

5. MEDICINES: All necessary medicine, medical and surgical supplies and orthopedic appliances as may be used or prescribed by the physicians or surgeons of the Association in the treatment of said employees will be furnished by the Association. In emergency cases, the Employer is hereby granted permission to purchase such medical and surgical supplies as in his judgment are necessary for such cases, and the expense thereof is to be defrayed by the Association.

6. FIRST AID SUPPLIES: Medicine chests shall be immediately delivered to the Employer and be maintained during the life of this contract at such station or stations as may be indicated by the Employer, said chests to
4066 contain the usual articles, such as salve, disinfectants, limaments, cotton, bandages, etc. for the use of the employees of the Employer. The chests and contents not used are to be returned to the Association at the termination of this contract.

7. HOSPITAL SERVICES: Hospital care and services will be provided by the Association in general hospitals in Portland, Oregon, or other city or town near the place of employment as may be arranged for by the Association. Such hospital service is to be ward service, with general nurse, use of surgery, X-Rays, laboratory, medicines and medical and surgical attendance. Any employee desiring to have private room service may have the same by paying to the hospital the difference between the cost of the private room and the rate charged the Association for ward service. The Association shall not be required to furnish hospital service for a longer period than six months in any one case, *but doctor's services, when needed, will be furnished for one year in any one case.*

8. TRANSPORTATION: The Association shall provide free transportation and necessary ambulance service for conveying the sick and injured to such hospitals as are appointed by the Association to render such hospital service.

9. DENTAL SERVICES: Dental services to be provided by the Association shall include treatment for toothache, treatment for acute conditions affecting the gums, extraction of diseased teeth giving acute pain, and dental X-Rays and extraction where teeth are abscessed and affecting the employee's general health. Dental services do not apply to treatment for pyorrhea or fillings, crowns, bridges or artificial teeth, *or impactions.*

10. SPECIAL NURSES: When the services of the general ward service nurses are not adequate in the judgment of the Association's attending physicians, the services of special nurses will be provided for not more than thirty days in any one case.

11. X-RAY SERVICE: X-Ray service is to be furnished in case of fracture or suspected fractures, and in all other cases as deemed necessary or advisable by the surgeons of the Association.

12. PHYSICAL-THERAPY: Physical-Therapy treatments will be given in all cases when in the judgment of the Association such treatment may be necessary.

13. PROPHYLACTIC MEASURES: The Association will furnish such Prophylactic Measures as may be necessary in preventing the spread of disease among employees of the Employer, including analysis of the drinking water, fumigation of the camps that may have been occupied by contagious patients, and vaccination and innoculation of employees to prevent infection and spread of infectious or contagious diseases, such as smallpox and typhoid fever, etc.

14. COVERAGE: The coverage of this agreement is to be as follows:

Hospital care, physicians, surgeons, and specialists, including surgical operations, and other services provided for by this agreement, as needed for the following conditions:

A. Accidental injuries, received either while at work or away from work.

B. Acute sickness, either while at work or away from work. The term "acute sickness" as used in this agreement means *only such conditions as influenza, pneumonia, typhoid fever, smallpox, acute appendicities, and other ailments of a similar nature* that develop quickly and run their course, as differentiated from ailments that develop more slowly over a longer period of time and are more or less chronic in their nature.

The services provided for herein shall not apply to deformities or infirmities, or accidental injuries which definitely existed *prior* to the time such afflicted employees came under the protection of this contract, or to cases of insanity, attempt at suicide, *apoplexy and paralysis*, con-

ditions resulting from the use of intoxicating liquors, narcotics or drugs, *tuberculosis, cancer,* pyorrhea, venereal diseases or conditions arising therefrom, pregnancy
4067 or childbirth, *diseases not common to both sexes, chronic diseases or ailments,* or sickness active at the time of coming under this contract.

The association shall not be required to furnish hospital or ambulance services for diseases subject to quarantine, or for afflictions or diseases that become epidemic, but shall furnish doctors' services and necessary medicines.

To make it financially possible for the Association to furnish this extensive service for the small fee being charged, it is agreed between the parties hereto that employees requiring hospital care, surgical operations, or medical services for any of the conditions named herein, shall be entitled to the same only in hospitals appointed by the Association for rendering such service, and by physicians, surgeons, and specialists employed by the Association for this purpose.

II.

Should the Association or its attending physicians at any time during the life of this contract determine that any employee of the Employer is not entitled to the treatment or any treatment herein stipulated, and shall determine that such employee is in the class eliminated, or partially eliminated from benefits herein contemplated, then, in that event, the Employer or the employee shall have the right to call in a competent and duly licensed practicing physician or surgeon, and have him examine such person for the purpose of determining whether or not the physician of the Association has correctly diagnosed the case as hereinbefore mentioned; and if such consulting physician, and the physicians of the Association, shall be unable to agree, then, in that event, the Association and the Employer shall select a competent skilled physician and surgeon, duly licensed under the laws of this State, as arbitrator to make examination and diagnosis of the case, and furnish his diagnosis to the parties hereto, and when such diagnosis shall be furnished, the same shall be final and if such diagnosis shall be against the diagnosis of the physician or physicians of the Association, the Association shall pay the fee of the consulting physician and also a reasonable fee of the physician arbitrator

aforesaid, but if the diagnosis of the physician arbitrator shall substantially agree with the diagnosis given by the physician or physicians of the Association, then, in that event, the said employee shall pay the fees of such consulting physician and arbitrator physician as aforesaid.

III.

TRAVELING EMPLOYEES: *For the benefit of the officers and executives of the Employer who shall elect to be included under this contract, and who,* during absence from the districts in which the Association maintains medical representatives, may be taken sick or meet with personal injury, the Association *will bear the expense* of necessary, medical, surgical and hospital services in the nearest city in which suitable services may be obtained; provided that such *official representatives* shall not absent themselves from the districts served by the Association for the express purpose of obtaining medical, surgical or hospital care. *Services rendered under the provision of this section shall be paid for on the basis of the Association's usual rates for similar services.*

IV.

CONTINUATION OF PROTECTION: Employees who are under the protection of this agreement at the time they leave their employment with the Employer may continue said protection by paying the dues of $1.50 per month in advance to the home office of the Association. Provided, however, that if said employees are ill or under a doctor's care at the time of leaving said employment, the Association shall have the right to terminate said protection for such employees upon fulfilling all the obligations imposed upon the Association for the care and treatment of
4068 said employees for the condition or conditions existing at the time of leaving said employement.

V.

In consideration of the agreement hereinbefore set forth to be performed by the Association, the Employer agrees that he will pay to the Association on or before the fifteenth day of each and every month hereafter, while this agreement shall remain in effect as follows:

One dollar and fifty cents ($1.50) for each and every employee of the Employer employed at the place hereinbefore mentioned, who began his employment on or be-

fore the fifteenth day of the preceding calendar month and was employed four or more days in said month. (Cannery contract rate, 35¢ per week.

Seventy-five cents ($.75) for each employee who began his employment after the fifteenth day of the preceding calendar month and was employed four or more days in said month.

Ten cents ($.10) per day for each employee who shall have been employed three days or less in the preceding calendar month.

It is mutually agreed that the amounts herein mentioned are to be deducted by the Employer from the wages of his employees, as authorized by sections 6642 to 6649 of Oregon Laws, and be held in trust until paid over to the Association as provided for by this contract.

VI.

And it is further agreed that the Employer shall retain monthly from the moneys owing the Association hereunder the one cent per work day required to be contributed on behalf of said employees of the Employer to the State Industrial Accident Fund.

VII.

The parties hereto further agree that the Association may enter into a contract with the State Industrial Accident Commission for providing all first aid, medical, surgical, hospital and transportation services required under the provisions of the Workmen's Compensation Law and the rules and regulations of the said Commission, said contract to be according to the terms and rates adopted by the said Commission.

VIII.

The Employer shall not be required to pay to the Association the hospital fee for the current month for any person who, upon entering the employment of the Employer, shall hold a hospital ticket entitling him to medical, surgical and hospital accommodations in any hospital association in Oregon or Washington. This exemption in the payment of hospital dues shall apply only to the month in which such employee begins his employment with the Employer. Said employee shall be entitled to all the benefits and protection of this agreement for any accidental injury received in the course of employment but it is mu-

tually agreed between the parties hereto that the Association shall not be required to furnish any of the services stipulated herein for any accidental injury received outside of employment or for any sickness contracted during the period for which the Employer is exempted from paying hospital fees, it being the intention that for such injury or sickness said employee shall apply for hospital and medical services to the hospital association represented by the hospital ticket he holds.

IX.

The Employer agrees and promises for the purpose of checking up employees of the Employer, that the Association may have access to and examine the payroll of the Employer at any reasonable time during working hours.

X.

It is further understood and agreed by and between the parties hereto, that in case any employee for whom the Employer has paid to the Association the hospital fees for any calendar month or payroll period, or has
4069 deducted such amount from the wages due said employee in settlement of same, shall leave the employ of the Employer before said calendar month or payroll period shall have expired, notwithstanding such fact, to all the benefits provided by this agreement for injuries and diseases which the Association undertakes by this contract to take care of, which may occur to said employee during such period of time as such services are paid for.

XI.

The parties hereto further agree that in the event of a violation of the duties of either party hereto, the opposite party may cause written notice to be served upon the party causing the violation and in the event that said party fails or neglects to make such correction, this contract shall become null and void at the option of the opposite party on the first day of the calendar month following.

It is further understood and agreed by and between the parties hereto that this contract shall take effect on the ..... day of ..... A.D., 193.... , at 12:01 o'clock A.M., and shall remain in full force and effect for a period of one year.

In Witness Whereof, the parties hereto have caused these presents to be executed, in duplicate, by their re-

spective officers, pursuant to authority heretofore granted by their boards of directors this ..... day of A.D., 193....

INDUSTRIAL HOSPITAL ASSOCIATION (Seal)

By .....
General Manager

..... (Seal)

By .....

Executed in presence of:

.....

.....

.....

H. FULL COVERAGE CONTRACT (No. 1 Contract.—Through S.I.A.C.
(No. 2 Contract.—Not through S.I.A.C.

Note: Only specifications listed which are not included in the "Standard Contract."

A

MEMORANDUM OF AGREEMENT .....

WITNESSETH:

.....

2. EMERGENCY PHYSICIANS: The Association will bear the expense of emergency care in the event an employee shall be taken sick or meet with a personal injury at a time when or a place where it is not possible for him or her to apply to the Association or other persons appointed by the Association for rendering such services; it being understood, however, that as soon as said employee's condition will permit him or her to apply to the Association for medical service, he or she shall be required to do so, and his or her failure so to do shall relieve the Association of any responsibility for his or her care, excepting for the emergency care herein provided for. Emergency services will be paid for on the basis of the rates and fees in use by the State Industrial Accident Commission of Oregon for similar services.

3. SUBROGATION: ..... an employee who is entitled to the benefits of this agreement shall be injured by a third party, the Association .....

7. HOSPITAL SERVICES: ..... Such hospital service is to be ward service, except that when in the opinion of the Association's physicians a private room is necessary the same will be furnished for not over thirty days;

12. PHYSICAL-THERAPY: ..... and osteopathic treatments.....

13. PHYSICAL EXAMINATIONS: The Association agrees to provide at its expense a physical examination of all new employees, and all old employees shall be entitled to a physical examination once each year.

4070 14. REFRACTIONS: Eyes will be examined or tested for glasses by the Association's staff eye, ear, nose and throat specialists.

16. COVERAGE:

C. Chronic conditions that become acute will be treated. This will include hospital care and surgical operations, when needed, for such conditions as stomach ulcers, gall stones, kidney stones, hemorrhoids, and other ailments of this nature.

D. Diseased or infected tonsils will be removed when needed.

E. Operations for deviated septums and acute sinus conditions will be provided.

F. Cancers will be treated, including treatment by radium.

G. Tuberculosis will be treated, including hospital or sanitorium care when needed for not more than three months in any one case.

NEW EMPLOYEES: By the term "new employees," is meant any person who comes under the protection of this agreement subsequent to the date this agreement becomes effective. New employees shall not be entitled to services for chronic conditions, as provided in paragraphs C, D, E, F, and G of this contract. Provided, however, that new employees will be given credit for time of employment elsewhere under the protection of the Industrial Hospital Association's contracts which cover such conditions when such employment immediately precedes employment under the protection of this contract.

EXEMPTIONS: The services ..... apply to any diseases ..... or injuries resulting from acts of violence.

TRAVELING EMPLOYEES: For the protection of employees who are entitled to the benefits of this agreement ...., the Association will pay, at its usual rates for such service .....; provided that such employees.....

III.

CONTINUATION OF PROTECTION: Employees ..... protection under the rules and regulations of the Association ..... dues of $2.00 per month.

IV.

The Association agrees that it will, at its own sole cost and expense, defend the employer against all claims, demands, actions or suits arising out of any breach or default or alleged breach or default in respect to the matters provided for herein, and that it will pay, or cause to be paid, any judgment that may be rendered against the said employer on account of any of said matters.

The Association will employ necessary counsel to appear on behalf of the Employer and to defend any suit or action brought against the Employer on accounts of any claim or demand arising out of the matters covered by this agreement.

If claims shall be made or action be brought against the Employer for damages or other relief covered by this agreement, the Employer shall immediately notify the Association, and shall immediately forward to it every summons or other paper or process served on or received by it in connection therewith.

The Employer, when requested in writing by the Association so to do, shall aid the Association in effecting settlement, securing information, evidence and the attendance of witnesses, and shall attend upon any hearing or hearings, in court when so requested by the Association or its representative, but the Employer shall not voluntarily assume any liability, settle any claim or interfere in any settlement or legal proceedings, or incur any expense in connection therewith without the consent of the Association previously given in writing.

Neither the Employer nor any of its officers, representatives, or agents shall promote or encourage any such claim, demand, action or suit.

V.

Two dollars ($2.00) .....
One dollars ($1.00) .....

4071 III. MODIFIED CONTRACTS (BEING DISCONTINUED).

HOSPITAL SERVICE

A. IS HOSPITAL SERVICE A PART OF COVERAGE: Yes.

B. WHO DECIDES "QUALIFIED" HOSPITALS: Medical director, or doctor who is doing work.

C. DO APPROVED HOSPITALS HAVE "MEDICAL CONTROL"? (5)

D. DOES PATIENT HAVE A CHOICE OF HOSPITALS: If satisfactory to physician.

E. LIMITATIONS ON LENGTH OF SERVICE: Six months full: Three months for modified and standard.

F. OTHER RESTRICTIONS:

G. PAYMENTS TO HOSPITALS, 1934: (See Profit and Loss Statments and graphs).

H. LIST OF HOSPITALS FURNISHING SERVICE JANUARY 1st to MAY 1st, 1935:

Albany General Hospital	Albany
Charlton Hospital	Tillamook
Columbia Hospital	Astoria
Community Hospital	Medford
Corvallis General Hospital	Corvallis
Clark General Hospital	Vancouver
Columbia Clinic, Inc.	Longview
Dallas Hospital, Inc.	Dallas
Emanuel Hospital	Portland
Good Samaritan Hospital	Portland
Guyman Hospital	Forest Grove
Hahnemann Hospital	Portland
Hood River Hospital	Hood River
Hutchinson Hospital	Oregon City
Hillside Hospital	Klamath Falls
Jones Hospital	Hillsboro
Josephine General	Grants Pass
Keiser Bros. Hospital	North Bend
Klamath Valley Hospital	Klamath Falls
Leep Memorial Hospital	Medford
Medical Arts Surgery	Portland

	Medical-Dental Surgery	Portland
	Mast and Wilson Hospital	Myrtle Point
	Mercy Hospital	Roseburg
	Mercer Hospital	Seaside
	McMinnville Hospital	McMinnville
	Oregon City Hospital	Oregon City
	Portland Open Air San.	Portland
	Pacific Hospital	Eugene
	Salem General Hospital	Portland
	Saint Mary's Hospital	Astoria
	Seaside General Hospital	Seaside
4072	Stayton Hospital	Stayton
	St. Vincents Hospital	Portland
	Salem Deaconess Hospital	Salem
	Sacred Heart Hospital	Medford
	St. Elizabeth Hospital	Yakima

Several unstandardized hospitals.

PREMIUM RATES:

A. WERE STUDIES MADE TO DETERMINE PREMIUM LEVEL? No.

B. WERE RATES SET BECAUSE OF NECESSITY OF COMPETITION? Yes.

C. ARE PREMIUM RATES HIGH ENOUGH FOR PROPER COVERAGE? No. Full and state contract would be O.K. (for men only).

D. IS THERE A PREMIUM SCALE ACCORDING TO INCOME? No.

E. IS THE SCALE BY OCCUPATIONAL HAZARDS? Only in S.I.A.C.

F. DO EMPLOYERS CONTRIBUTE? S.I.A.C. contracts and three others.

G. PREMIUM RATES:

(a). Full coverage (No. 1. $2.00
(No. 2. $1.75

(b). Modified coverage: $1.50

(c). Standard coverage: $1.50 or Cannery 35¢ per week.

(d). During depression "cut rates" made to lumber and logging firm employees to carry them

thru as wages had been reduced to "subsistence" level and "Industrial" tried to do its part to the best of its ability. Contracts are not being renewed on depression "cut rates".

H. DISTRIBUTION OF PREMIUMS WHEN S.I.A.C. CONTRACTS:

Employee:	(1) Through S.I.A.C.	$0.25
	(2) Direct	1.75

S.I.A.C.: Employers contribution added.

COLLECTION OF PREMIUMS

A. DEDUCTED BY EMPLOYER? Except non-firm and seven individuals. In non-firm an employee collects for all.

B. CHECKS MADE TO ASSOCIATION BY INDIVIDUALS IN FIRM? No.

C. DELINQUENT PAYMENT EXPERIENCE: Reserve 1%. Have had considerable difficulty. Attribute mainly to depression conditions.

4073 FINANCIAL ELIGIBILITY TO SERVICE (9) (Subscriber)

A. POLICY: No limitation. However, actually is restricted to small wage earner. Officers or Executives when they desire. Also "courtesy" service has been necessary occasionally in competition.

ELIGIBILITY TO SERVICE UNDER CONTRACTS—(Non-Financial)

A. EMPLOYEE ONLY? Yes.

B. FAMILIES? No.

C. DOES ASSOCIATION HAVE A MINIMUM FOR SIZE OF ORGANIZATIONS WHO MAY OBTAIN CONTRACTS? Ten or fifteen—rule; exceptions made.

D. MAY INDIVIDUALS IN FIRMS REJECT SERVICES? Optional is 50% of coverage. Some firms require coverage. All firms contribute when under State Industrial Accident contracts.

E. REJECTION FOR GROUPS FOR OCCUPATIONAL, MORAL, OR OTHER REASONS.

QUALIFICATIONS FOR PHYSICIAN MEMBERSHIP IN ASSOCIATION

A. WHAT ARE QUALIFICATIONS? Licensed physician. Most instances Medical Soc.

B. WHO APPROVES QUALIFICATIONS? Medical Directoreate.

C. ARE ALL QUALIFIED PHYSICIANS PERMITTED TO GIVE ALL TYPES OF SERVICE (8)? Those on panel excepting emergencies.

D. WHO DETERMINES THOSE ELIGIBLE AS SPECIALISTS ON PANEL? Dr. Moore.

E. ARE CHIROPRACTORS, OSTEOPATHS, NATUROPATHS, ETC. ADMITTED TO PANEL? Nine osteopaths; one chiropractor; no naturopaths.

ORGANIZATION OF MEDICAL STAFF

1. Regular salaried.
2. General (Fee Basis).
3. Consultants (in Portland only).

ABUSES TO ASSOCIATION BY PHYSICIAN ON STAFF

A. OVER TREATMENT: In some cities—tendency on part of some men. Some localities much—others none.

4074 B. PADDING OF STATEMENTS:

1. METHOD OF CHECKING: None. Contact patient to check. No definite system.

C. COLLUSION BETWEEN "ATTENDING" PHYSICIAN AND "CONSULTANT": None.

D. USE OF EXPENSIVE UNNECESSARY DRUGS: In some outstate districts. Prescriptions to stores on list.

SELECTION OF PHYSICIAN BY PATIENT (3)

A. METHOD OF SELECTING PHYSICIAN FROM PANEL: Free choice in locality.

B. ADVICE GIVEN FROM ADMINISTRATION OFFICE AS TO SELECTION: Free choice from regular staff.

C. IS THERE A GEOGRAPHICAL SUGGESTION AS TO SUGGESTIONS FOR HOME VISITS?

E. EXPERIENCE IN "SHOPPING": Not serious.

H. DOES THIS PLAN GIVE PATIENT CONFIDENTIAL RELATIONSHIP BETWEEN PATIENT AND A "FAMILY PHYSICIAN"? (4): Yes.

COMPLAINTS BY RECIPIENTS OF SERVICE

A. ARE PATIENTS' COMPLAINTS TAKEN UP WITH ATTENDING PHYSICIAN:

1. By Lay Administration: 75%.

3. MEDICAL DIRECTOR: 25%

B. NUMBER OF LAW SUITS TO RECOVER, CLASSIFY BY CAUSES: Five or six since 1923, because of coverage.

ANALYSIS OF PAYMENTS TO PHYSICIAN MEMBERS

D. METHOD OF PAYING PHYSICIANS:

1. SALARY: 1934, yes. Ten on regular staff.

Revised Salary Plan (1935): All physicians on the panel, excepting two full time and two part time, are now (1935) paid on a percentage basis, the percent depending upon the residue after bills are paid for the particular locality. The percentages of the fee schedule varies in localities according to collections and bills paid.

2. PER CAPITA: No.

3. BASIS SERVICE RENDERED: Yes, for 228 physicians.

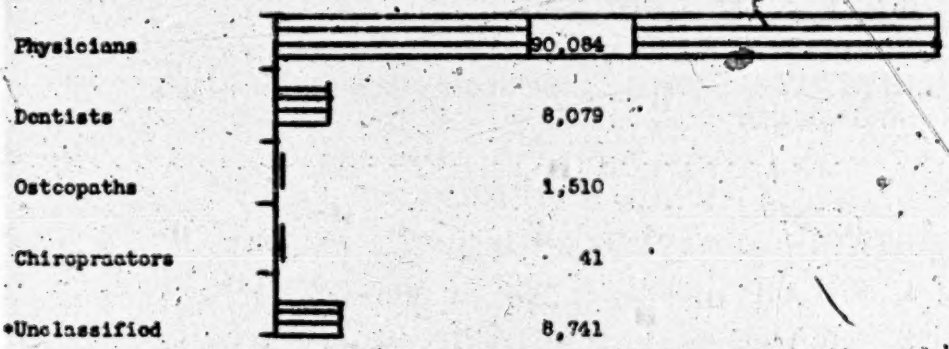
(a). Most localities on percentage of regular fee schedule. Percent depends upon residue after other bills are paid. This is known as "Mutual Co-operative Plan".

Percentage of "Co-operative" fee schedule:

Portland: 75 to 25; physicians guaranteed 75%.

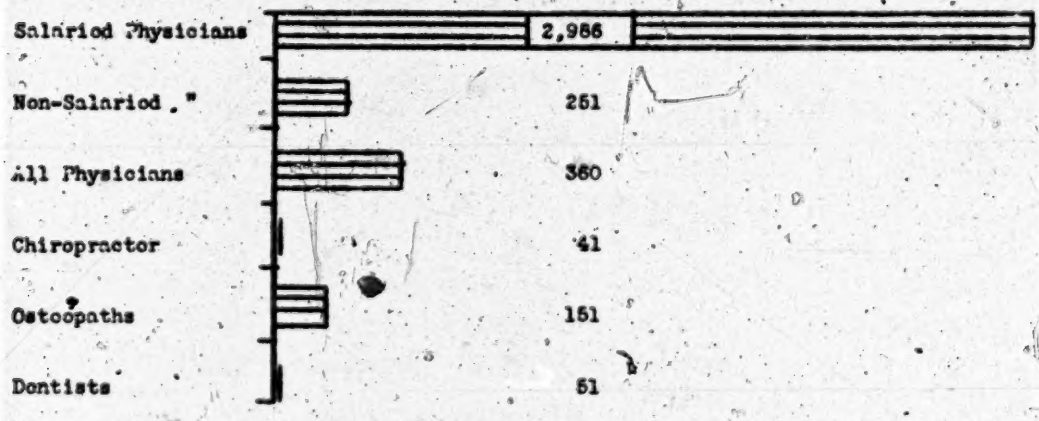
Analysis of Profession Fees - 1934
(12 month estimate based on 6 months actual)

TOTAL PAYMENTS



* The "Physicians and Surgeons" account includes charges that cannot be classified under above individuals such as medical supplies, clerical, laboratory services, clinics where number of individual unknown, medical appliances, hotel charges and other individuals not to be classified as professional.

AVERAGE PAYMENTS



All salaried physicians pay their own office expenses; the net, therefore, is much less.

Division of Premiums on "Co-operative" Plan.

(b). Regular fee schedule applies to physicians who are not under "CO-operative" plan.

E.

ANALYSIS OF PROFESSIONAL FEES

FIRST SIX MONTHS 1934

TOTAL PHYSICIAN PAYMENTS	(Actual) NUMBER	SIX MONTHS	NUMBER	TWELVE MONTHS
Total physician payments	238	40,084.14	250	90,084.15
Total dentists payments	139	3,779.60	140	8,079.60
Total osteopaths payments	9	610.88	10	1,510.88
Total chiropractors payments	1	20.50	1	41.00
(Sub Totals)	387	(44,495.12)	401	(99,715.63)
*Unclassified Payments		4,365.17		8,741.73
Grand Total	387	48,860.29	401	108,457.36

*These are charges against the "Physicians & Surgeons" accounts for Dentists, Osteopaths, Chiropractors, Medical Clinics not classifiable, lay laboratory service, Hotels serving patients, a few items for medical supplies, and amounts to lay individuals. The latter are represented by this "Unclassified" total.

	(Actual) NUMBER	SIX MONTHS	NUMBER	TWELVE MONTHS
Salaried physicians	10	14,933.70	10	29,867.40
Non-salaried physicians	228	25,150.44	240	60,216.75
Total	238	40,084.14	250	90,084.15

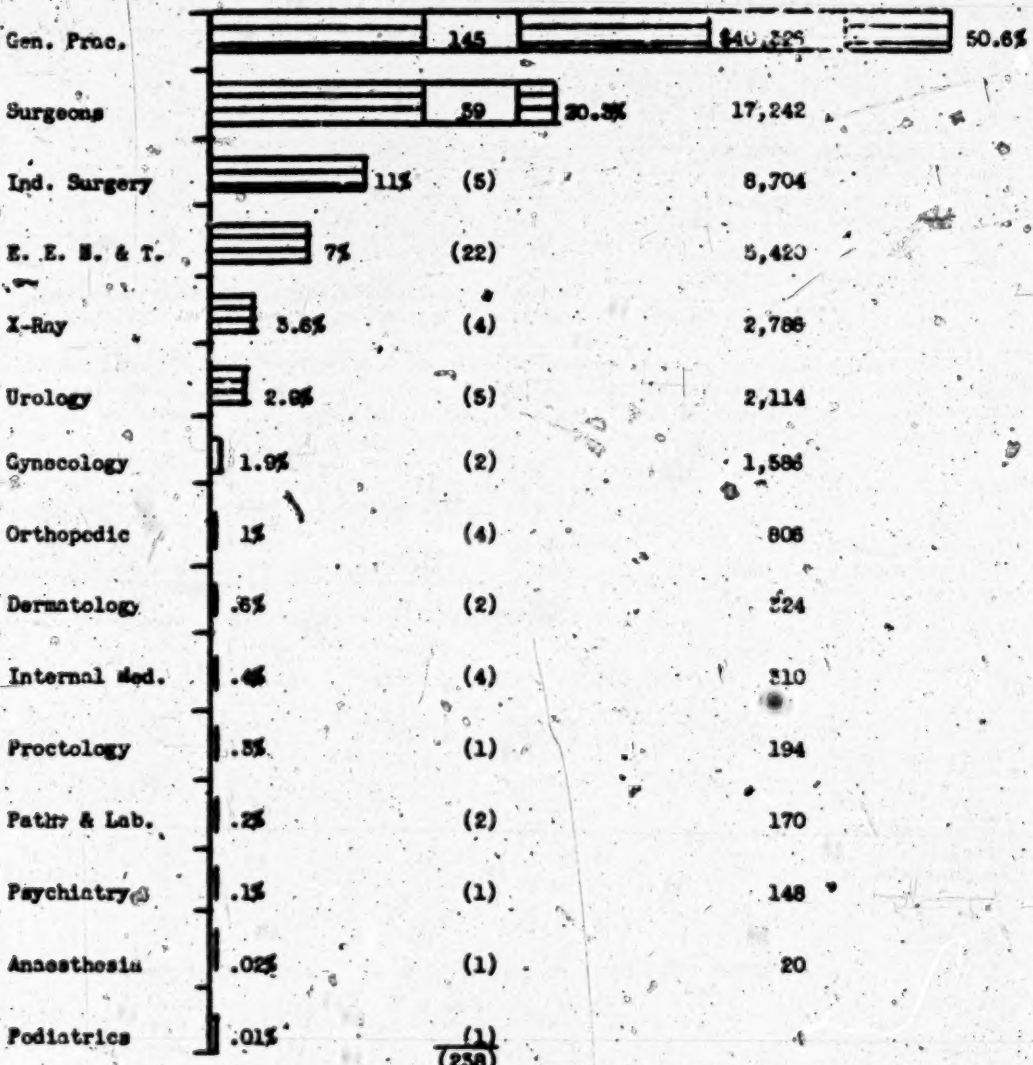
AVERAGE INCOME PER PHYSICIAN - DENTIST - OSTEOPATH

	(Actual) NUMBER	SIX MONTHS	NUMBER	TWELVE MONTHS
Salaried physicians	10	1,493.70	10	2,986.74
Non-salaried physicians	228	110.00	240	251.00
(All physicians)	(238)	(170.00)	(250)	(380.00)
Chiropractors	1	20.50	1	41.00
Dentists	139	27.20	140	51.00
Osteopaths	9	67.86	10	151.00

SIX MONTHS PERCENT OF SALARIED TO NON-SALARIED PHYSICIANS

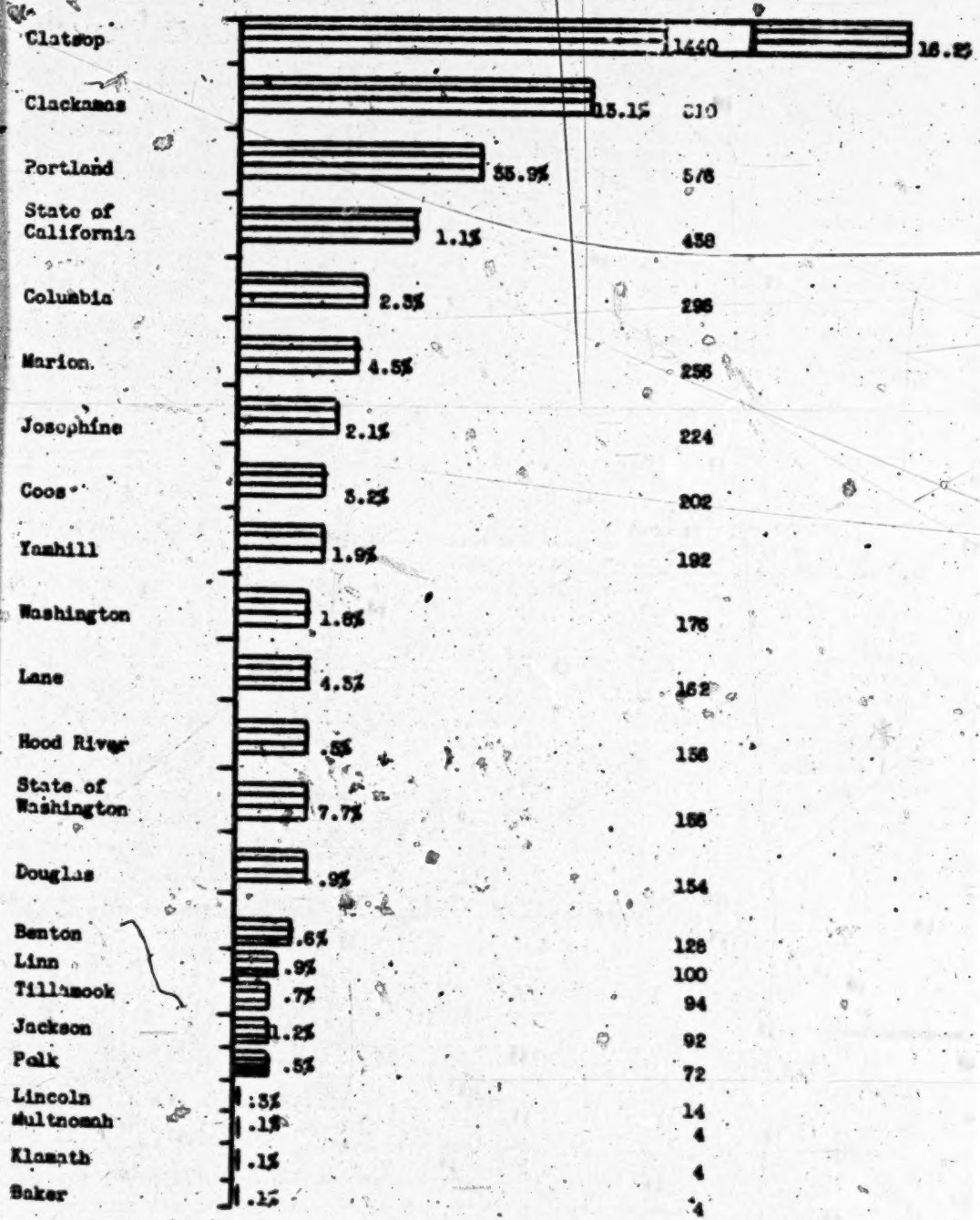
	AMOUNT SIX MONTHS	PERCENTAGE	YEARLY	PERCENT
Salaried	14,933.70	37.0	29,867.40	33.0
Non-salaried	25,150.44	63.0	60,216.75	67.0
	40,084.14	100.0	90,084.15	100.0

PAYMENTS TO PHYSICIANS CLASSIFIED BY SPECIALTIES
(Annual Estimate Based on Six Months Actual)
1934



Figures in parenthesis represent number of doctors

AVERAGE PAYMENTS TO DOCTORS BY COUNTIES - 1934
AND PER CENT OF PAYMENTS BY COUNTIES



Average Payments to all doctors for one year 360.00

PHYSICIANS CLASSIFIED (ALL).

Six Months Actual

	NUMBER	AMOUNT	PERCENTAGE	SIX MONTHS AVERAGE
General	145	20,163.08	50.6	139.05
Surgeons	39	8,621.22	20.3	221.06
Ind. surgeons	5	4,352.65	11.0	870.53
E.E.N. & T.	22	2,710.88	7.0	123.22
X-ray	4	1,393.50	3.6	348.37
Urology	5	1,057.86	2.9	211.57
Gynecology	2	793.72	1.9	396.86
Orthopedic	4	403.75	1.0	100.93
Dermatology	2	162.74	.6	81.37
Int. Medicine	4	155.50	.4	38.87
Proctology	1	97.99	.3	97.99
Pathology and Lab.	2	85.00	.2	42.50
Psychiatry	1	74.25	.1	74.25
Anethestis	1	10.00	.02	10.00
Pediatrics	1	2.00	.01	2.00
	238	40,084.14	100.00	2,758.57

NON-SALARIED PHYSICIANS

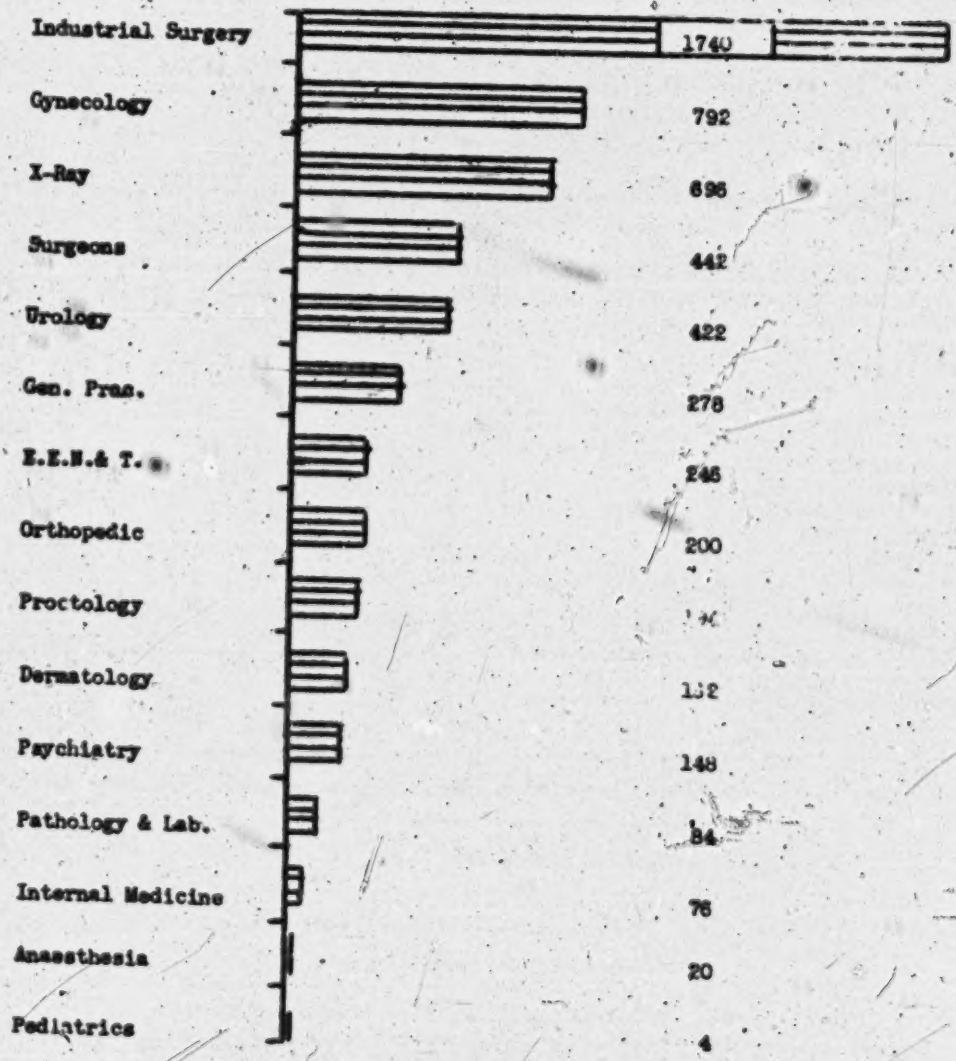
	NUMBER	AMOUNT	PERCENTAGE	SIX MONTHS AVERAGE
General	141	14,533.35	58.7	103.07
Surgeons	36	5,485.78	21.5	152.38
E.E.N. & T.	21	1,542.35	6.2	73.44
Urology	5	1,057.86	4.1	211.57
Gynecology	2	793.72	3.1	396.86
Ind. Surg.	4	452.65	1.8	113.18
Orthopedic	4	403.75	1.7	100.94
X-ray	3	293.50	1.1	97.83
Dermatology	2	162.74	.6	81.37
Int. Medicine	4	155.50	.6	38.87
Proctology	1	97.99	.3	97.99
Pathology and Lab.	2	85.00	.2	42.50
Psychiatry	1	74.25	.1	74.25
Anesthest	1	10.00	.02	10.00
Pediatrics	1	2.00	.01	2.00
	228	25,150.44	100.00	1,596.25

CLASSIFIED "SALARIED"
(Six Months)

	NUMBER	AMOUNT	PERCENTAGE	AVERAGE
General	4	5,629.73	32.0	1,407.43
Ind. Surg.	1	3,900.00	27.0	3,900.00
Surgeons	3	3,135.44	22.0	1,045.13
E.E.N. & T.	1	1,168.53	10.0	1,168.53
X-ray	1	1,100.00	9.0	1,100.00
	10	14,933.70	100.0	

4080

AVERAGE PAYMENTS TO PHYSICIANS
Classified by Specialties
1934



Average Payments to all Physicians..... 360.00
Average Payments to Non-salaried Physicians..... 251.00
Average Payments to Salaried Physicians..... 2986.00

COST PER SUBSCRIBER 1934

	AMOUNT	SUBSCRIBERS	UNIT
Payments to physicians	108,457.00	8876	12.20
Other direct costs	68,914.00	8876	7.76
Administrative expenses	23,264.90	8876	2.62
Sales expenses	7,921.00	8876	.90
Miscellaneous costs	3,678.00	8876	.41

PHYSICIANS CLASSIFIED BY COUNTIES
First six months 1934

COUNTY	AMOUNT	PERCENT	NUMBER PHYSICIANS	PERCENT	SIX MONTHS AVERAGE
Portland	14,385.36	35.9	50	21.0	287.70
Clatsop	6,481.45	16.2	9	4.0	720.16
Clackamas	5,277.84	13.1	13	5.4	405.98
State Washington	3,047.58	7.7	39	16.5	78.14
Marion	1,803.39	4.5	14	5.9	128.81
Lane	1,633.38	4.3	20	8.4	81.67
Coos	1,318.48	3.2	13	5.5	101.42
Columbia	1,040.30	2.3	7	2.9	148.61
Josephine	868.88	2.1	7	2.9	112.11
Yamhill	771.08	1.9	8	3.4	96.38
Washington	707.59	1.8	8	3.4	88.44
Jackson	509.00	1.2	11	4.5	46.27
State California	437.79	1.1	2	.8	218.89
Linn	397.38	.9	8	3.4	49.67
Douglas	382.00	.9	5	2.1	76.50
Tillamook	298.50	.7	6	2.5	47.41
Benton	254.38	.6	4	1.7	63.59
Hood River	236.75	.5	3	1.2	78.92
Polk	213.51	.5	6	2.5	35.58
Lincoln	13.50	.3	2	.08	6.75
Multnomah	2.00	.1	1	.04	2.00
Baker	2.00	.1	1	.04	2.00
Klamath	2.00	.1	1	.04	2.00
	40,084.14	100.0	238	100.0	

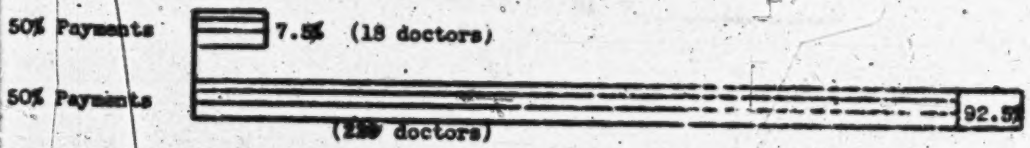
SPECIAL STUDY OF FIRST 18 DOCTORS RECEIVING 50% OF PAYMENTS

First six months 1934

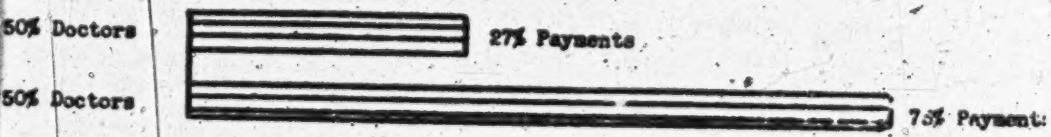
50% Payments went to 18 Doctors or 7.5%
50% Payments went to 220 Doctors or 92.5%

50% of Doctors received 27.0% of payments
50% of Doctors received 73.0% of payments

RECAPITULATION OF PAYMENTS TO DOCTORS
1934

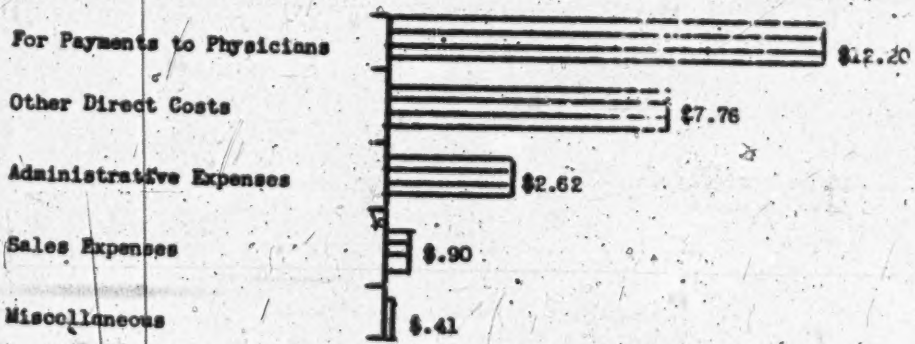


RECAPITULATION



TOTAL PAYMENTS TO DOCTORS - 1934

COST PER SUBSCRIBER - 1934



50% OF PAYMENTS TO DOCTORS (18) CLASSIFIED BY COUNTIES FOR First Six Months 1934

COUNTY	AMOUNT	PERCENT	NUMBER DOCTORS	PERCENT	AVERAGE 6 MONTHS	AVERAGE 12 MONTHS
Portland	10,598.73	52.3	8	44.4	1,324.84	2,649.68
Clatsop	5,505.20	27.1	4	22.2	1,376.30	2,752.60
Clackamas	3,464.53	17.1	5	27.8	692.90	1,385.80
Wash. State	697.50	3.5	1	5.6	697.50	1,395.00
	20,265.96	100.0	18	100.0	4,091.54	8,183.08

50% OF PAYMENTS TO DOCTORS (18) CLASSIFIED BY SPECIALTIES FOR First Six Months 1934

SPECIALTY	NUMBER DOCTORS	PERCENT	AMOUNT SIX MONTHS	PERCENT	AVERAGE 6 MONTHS	AVERAGE 12 MONTHS
Indust. Surg.	1	5.6	3,900.00	19.4	3,900.00	7,800.00
General	8	44.4	6,856.59	33.8	857.07	1,714.14
Surgery	4	22.2	5,492.26	27.3	1,723.06	3,446.12
X-ray	1	5.6	1,100.00	5.4	1,100.00	2,200.00
E.E.N. & T.	1	5.6	1,168.53	5.5	1,168.53	2,337.06
Urology	2	11.0	965.86	4.8	482.93	965.86
Gynecology	1	5.6	782.72	3.8	782.72	1,565.44
	18	100.0	$20,265.96	100.0	10,032.31	$20,028.62

DISTRIBUTION BY YEARS OF PRACTICE (PHYSICIANS)

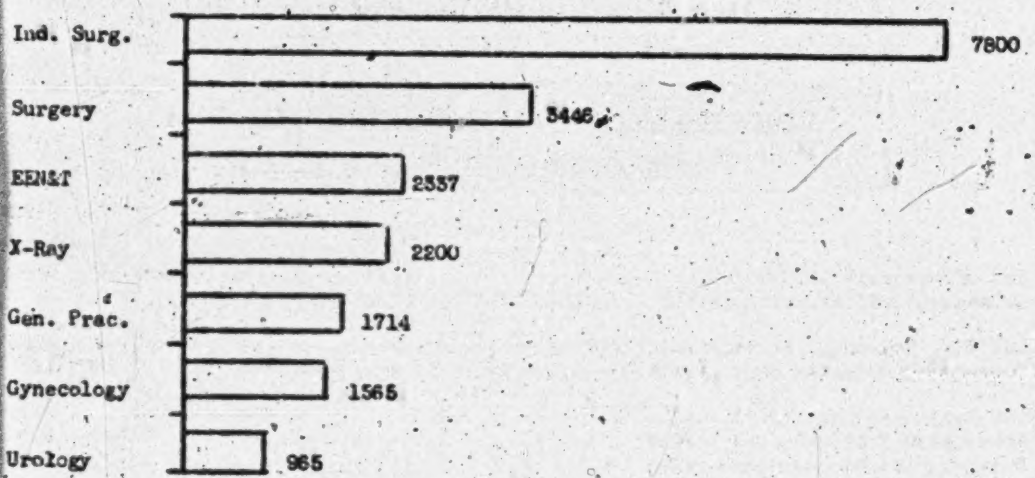
YEARS	NUMBER	PERCENT
Over 30	46	19.3
25 to 30	40	16.8
20 to 25	39	16.4
15 to 20	29	12.1
10 to 15	34	14.5
5 to 10	27	10.9
Under 5	23	10.0
Recapitulation	238	100.0

	NUMBER	PERCENT
10 year and under	50	21.0
Over 10 years	188	79.0
	238	100.0

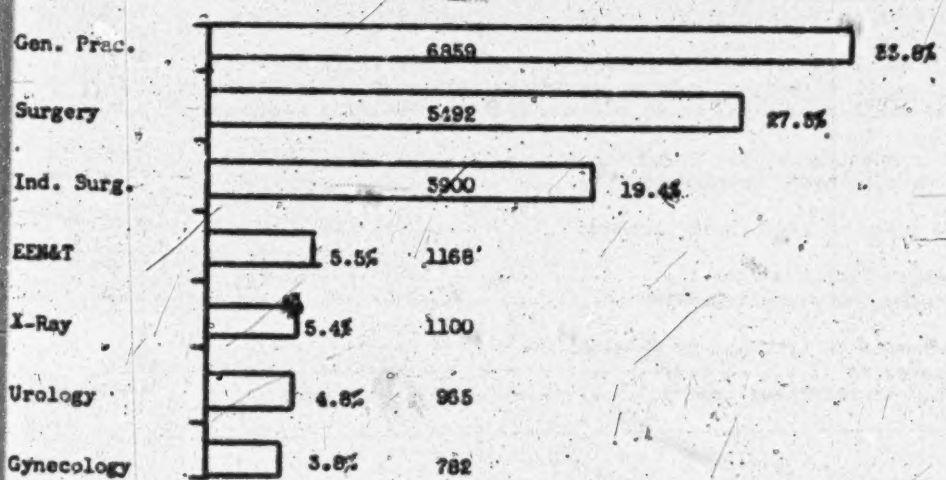
Average Age of Physician on Panel 49
Median Age of Physician on Panel 45

Special Study of First 18 Doctors Who Received 50%
of Payments
(Six Months Actual Annual Estimate)

AVERAGE PAYMENT PER DOCTOR



DOCTOR PAYMENTS BY SPECIALTIES
(First 18 Doctors)



INCOME BY YEARS OF PRACTICE

YEARS	NUMBER	AMOUNT 6 MONTHS	PERCENT
Over 30	45	9,141.30	23.0
25 to 30	52	7,702.90	18.6
20 to 25	42	8,531.73	21.5
15 to 20	21	4,140.79	10.4
10 to 15	29	4,120.58	10.4
5 to 10	29	4,452.36	11.1
Under 5	20	1,994.49	5.0
	238	40,084.15	100.0

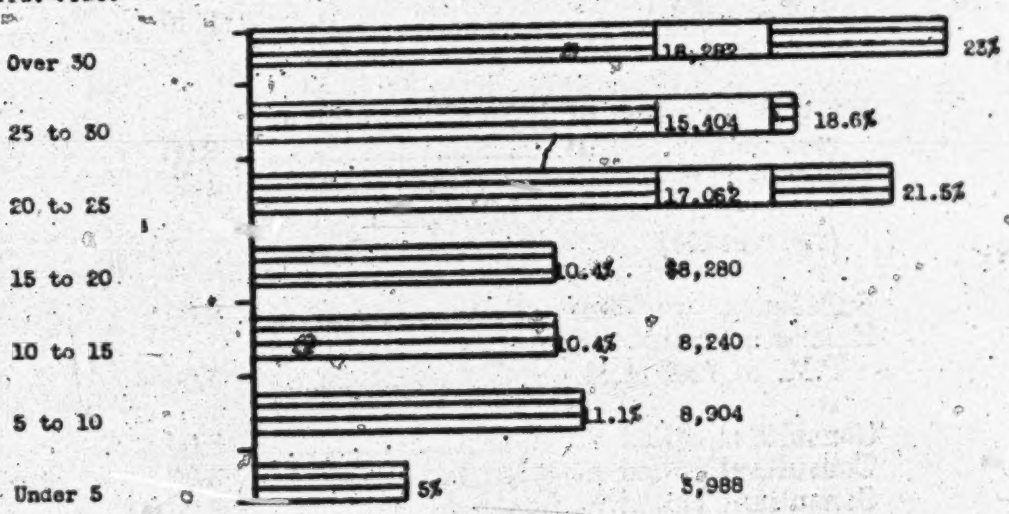
INDUSTRIAL HOSPITAL ASSOCIATION FEE SCHEDULE

MISCELLANEOUS --- MEDICAL CASES

	Coop. Plan	Non-Coop. Plan
1st Office call	$ 2.00	2.00
Subsequent Office calls (each)	1.00	1.00
1st Hospital call (if original visit to patient)	3.00	1.25
Subsequent Hospital calls (each)	1.00	1.25
1st Residence call (day)	3.00	2.50
Subsequent Residence calls (day)	2.50	2.00
Emergency night Residence calls (each) (9:00 P.M. to 7:00 A.M.)	5.00	3.50
Standard Fitness report, including urinalysis (blank to be filled)	1.50	
Complete physical examination, including urine, blood (at office)	5.00	
Same (at hospital)	3.00	
Consultant called at home	5.00	
Consultant called at office	3.00	
Consultant called at hospital	3.00	
Boils and small furuncles, 1st office call	2.00	
Boils and small furuncles, subsequent office calls	1.00	
Boils and small furuncles, Up to maximum fee for each case	5.00	
Abscess -- opening and 1st treatment	2.00	
Abscess -- subsequent treatments	1.00	
Varicose veins of legs (each treatment)	3.00	
Cold Vaccine (1st treatment)	2.00	
Cold Vaccine (subsequent treatments)	1.00	
Blood transfusion (patient to furnish own donors)		
1st transfusion	25.00	
Additional transfusions (each)	10.00	

DISTRIBUTION BY YEARS OF PRACTICE

PAYMENTS - 1934



RECAPITULATION

Average age of Physicians on Panel - - - - - - - - - - - - - - - - - - - 49

Median age of Physicians on Panel - - - - - - - - - - - - - - - - - - 45

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Average age of Salaried Physicians on Panel - - - - - - - - - - - - - 51

Average years of practice of Salaried Physicians on Panel - - - - - - 24 years..

	Coop. Plan	Non-Coop. Plan
4087 Minor operations (flat fee to include after dressings)	$ 5.00	
Assistant to surgeon at major operation	7.50	
Mileage (outside city limits) (one way)	.50	.50 per mi.
MISCELLANEOUS—ACCIDENT CASES		
1st office call	3.00	
Subsequent office calls and dressings	1.00	
1st visit to place of injury, hospital or residence	3.00	
Subsequent hospital calls (each)	1.00	
(Routine daily calls not billable except as (reasonable)		
Subsequent residence visits	2.50	
Emergency night residence visit (9:00 P.M. to 7:00 A.M.)	5.00	
Consultant called at home	5.00	
Consultant called at office	3.00	
Consultant called at hospital	3.00	
Casts, in fracture cases only—leg or arm (when applied at doctor's office)	5.00	
Assistant to surgeon at major operation	7.50	
Minor wounds (suture and after care)	5.00	
(Special fee allowed if complicated)		
Lacerations and abrasions, 1st dressing	3.00	
Lacerations and abrasions, subsequent dressings	1.00	
Lacerations and abrasions, up to maximum fee	5.00	
Tendon suture	15.00	15.00
Tendon suture (multiple or complicated) maximum fee	25.00	50.00
Acute lymphangitis or cellulitis		
Adjusted fee for each case.		

	Coop. Plan	Non-Coop. Plan
Minor burns, 1st dressing	$3.00	
Minor burns, subsequent dressings	1.00	
Severe Burns		
Adjusted fee for each case.		
Sprains—extremities and back, 1st examination	3.00	
Sprains—subsequent strappings or necessary calls	1.00	
(See instructions on physio-therapy)		
Bursitis, 1st aspiration	3.00	
Bursitis, subsequent aspirations	1.00	
AMPUTATIONS		
Thigh, leg, ankle, or foot	40.00	Same
Arm, forearm, or hand	30.00	as Ore. State
4088 Finger or toe	10.00	Same
Arm disarticulation at shoulder	40.00	as Ore.
Hip disarticulation	75.00	State Schedule
FRACTURES		
Acetabulum	25.00	25.00
Carpal bones (one or more)	15.00	25.00
Clavicle	15.00	20.00
Coccyx (non-operative)	12.50	15.00
Coccyx (operative)	25.00	25.00
Femur	75.00	100.00
Great Trochanter (without displacement or fracture of condyles)	35.00	35.00
Fibula	15.00	20.00
Finger (complete fracture, simple or compound)	10.00	10.00
Finger (chip fracture)	5.00	5.00
Toe (complete fracture, simple or compound)	10.00	10.00
Toe (chip fracture)	5.00	5.00
Forearm (Colles)	25.00	30.00
Forearm (one bone, shaft)	20.00	25.00
Forearm (both bones, shaft)	50.00	60.00
Forearm (Styloid process)	10.00	20.00

	Coop. Plan	Non-Coop. Plan
Jaw	$20.00	$20.00
Lower leg (both bones transverse fracture)	45.00	50.00
Lower leg (oblique or comminuted or compound)	60.00	60.00
Lower leg (Pott's fracture)	40.00	50.00
Lower leg (fibula)	15.00	20.00
Lower leg (Maleolus)	15.00	20.00
Malar bone	10.00	10.00
Metacarpals (one or more, simple or compound)	12.50	15.00
Metatarsals (one or more, simple or compound)	15.00	20.00
Nasal bones	7.50	10.00
Os calcis	25.00	25.00
Patella	20.00	25.00
Publes (Ilium or Ischii, without displacement)	25.00	25.00
Pelvic (multiple)	40.00	60.00
Ribs (one or more)	7.50	10.00
Sacrum	15.00	15.00
Scapula	20.00	25.00
Skull (non-operative treatment)	50.–30.	30.–50.
Spine (compression fracture)	50.00	50.00
Spine (transverse process)	10.00	10.00
Sternum	10.00	10.00
Upper arm (Humerus) (simple or compound)	40.00	50.00

Special consultation in fracture cases: Fee will be arranged by medical advisor so that each physician will be paid direct by the Association for the work done.

DISLOCATIONS

	Hip	50.00	Same as
	Wrist	15.00	Oregon
	Finger or toe	3.00	State
4089	Lower jaw	5.00	Same as
	Shoulder	15.00	Oregon
	Elbow	15.00	State
	Ankle	20.00	Fee
	Knee	25.00	Schedule

MAJOR SURGERY

	Coop. Plan	Non-Coop. Plan
Abdominal viscera, operation requiring repair of	$75.00	
Abscess of liver, operation	75.00	
Appendectomy	50.00	$50.00
Cancer of breast, radical operation	75.00	
Decompression operation	40.00	
Gall bladder, removal or drainage	75.00	75.00
Hysterectomy	75.00	75.00
Hernia, radical operations	40.00	50.00
Hernia, double	60.00	75.00
Intestinal obstruction, bowel resection or drainage	75.00	
Intestinal obstruction, simple, operation for relief of	50.00	
Laminectomy	75.00	
Removal of loose cartilage in knee joint	40.00	
Stomach operations	75.00	
Thyroid gland, operation	75.00	
Tumor of breast, removal of tumor	20.00	

Special consultation and Cooperative Assistance—Fee will be arranged by medical advisor so that each physician will be paid direct by the Association for the work done

PROCTOLOGICAL

Proctological examination	3.–5.
Hemorrhoids, external thrombotic (minimum)	3.00
Hemorrhoids, external thrombotic (maximum)	5.00
Hemorrhoids, internal (injection treatment) 1st	5.00
Hemorrhoids, internal (injection treatment) subsequent	3.00
Hemorrhoids, radical (including subsequent treatment) (Report should be submitted before operating)	50.00
Ischio-rectal abscess, 1st incision	5.00
Ischio-rectal abscess, subsequent dressings	1.50

	Coop. Plan	Non-Coop. Plan
Fissure in Ano (including subsequent treatment)	$10.00	
Fistula in Ano, radical operation (Detailed report must be submitted)	25.00	to 75.00
Papillitis and cryptitis	5.00	
Pilonidal cyst (complete)	50.00	
UROLOGICAL		
Cystoscopy, urinary, laboratory fee additional	10.00	10.00
Cystoscopy, subsequent	2.50	
Cystoscopy, including pyelogram	18.00	18.00
Cystoscopic removal of stone	25.–50.	
Kidney stone	75.00	
4090 Kidney fixation	75.00	
Nephrectomy	75.00	
Operation for bladder tumors	25.00 –75.00	
Perineal abscess, drainage	25.00	
Perinephritic	75.00	
Prostatectomy	75.00	75.00
Prostatic abscess, radical drainage	50.00	
Ruptured urethra	75.00	
Stone in bladder		
Charge depending on case.		
Urological examination for focus of infection, including laboratory	5.00	
Pyelogram X-ray	9.00	
EYE, EAR, NOSE & THROAT		
1st office call	2.00	
Subsequent office calls	1.00	
Enucleation of eye	40.00	50.00
Submucous resection	37.50	37.50
Tonsils at hospital or surgery	17.50	25.00 office 20.00 hosp.
Washing antrums	2.00	2.00
Mastoid	75.00	75.00
Intra-nasal (single) antrum operation	30.00	35.00
Intra-nasal (double) antrum operation	40.00	50.00
Radical antrum	40.00	50.00
Removal of foreign body from cornea (embedded)	3.00	3.00

	Coop. Plan	Non-Coop. Plan
Removal of foreign body from cornea (superficial)	$2.00	
Removal of polyps	6.00	$10.00
Chalazion	5.00	7.50
Iridectomy	40.00	
Tonsilar abscess	5.00	
Giant Magnet Extraction Metal from eye	40.00	
Refraction with midriatic	5.00	
Refraction without midriatic	3.00	
(Refractions done only for employees under Full Coverage. See instructions)		
LABORATORY		
Urinalysis	1.00	
Quantitative urine sugar	1.00	
Quantitative albumen	1.00	
Complete blood count	1.75	
Red and hemoglobin	.75	
White and differential	1.00	
White count	.50	
Red count	.50	
Hemoglobin count	.25	
Differential count	.50	
Blood grouping	2.50	
For each additional donor	1.00	
Autogenous vaccine	5.00	
4091 Blood culture	2.50	
Smear	1.00	
Culture	1.00	
Sputum examination	1.00	
Stool examination	1.00	
Gastric analysis	2.50	
Kidney function test	2.50	
Tissue examination	5.00	
Guinea pig inoculation	1.50	
Widal	1.50	
Undulant fever	1.50	
Blood chemistry for one estimation	2.50	
Blood chemistry for each additional estimation	2.50	
Malarial examination	1.00	
Metabolic tests	3.00	
Testing for hay fever (treatments must be authorized)	5.00	